



**Kerry Co-op.**

**Kerry Co-Operative Creameries Limited  
Annual Report 2024**

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## Chairman's Statement

James Tangney  
Chairman

### Introduction

It gives me great pleasure to report on the performance of the Society's business for 2024 and, on behalf of the Board of Kerry Co-operative Creameries Ltd, to present the Annual Report and Financial Statements of the Society for the year ended 31 December 2024.

### A Year of Transformation for Our Society

2024 was a defining and historic year for Kerry Co-operative Creameries. As Chairman, my overriding responsibility throughout the year was to act in the long-term interests of our shareholders and milk suppliers, and to ensure that any strategic decision taken by the Board was robust, transparent and capable of withstanding the closest scrutiny.

### Securing the Kerry Dairy Ireland Transaction

The acquisition of Kerry Dairy Ireland represented the most significant transaction undertaken by the Society in a generation. Bringing this complex deal to a successful conclusion required prolonged and detailed negotiations with Kerry Group, alongside an unwavering focus on protecting the interests of our members.

The Board engaged intensively with Kerry Group over an extended period to agree a transaction structure that returned control of core dairy processing assets to farmer ownership, while also delivering meaningful value directly to members through the realisation of our Kerry Group shareholding. These negotiations were conducted with care, discipline and a clear understanding of the responsibility we carried on behalf of not only our milk suppliers, but all our shareholders.

### Extensive Shareholder Engagement

Central to progressing this transaction was ensuring that shareholders were fully informed and had every opportunity to challenge, question and assess the proposal.

Over a three-week period, the Society held a series of information events across our catchment area, including in Kerry, Limerick, Cork and Clare. These meetings provided shareholders with direct access to me as Chairman, to the Board and to independent professional advisers, enabling open discussion on the strategic rationale, financial structure, risks and long-term implications of the deal.

This level of engagement was deliberate. Together with the Board, I was determined that members would not simply be asked to endorse a transaction but would be given the information and time required to form their own informed view.

### A Strong Mandate from Members

That process culminated in a Special General Meeting on 16 December 2024, when shareholders were asked to vote on the proposed acquisition and associated transactions. I was heartened by both the level of attendance and the clarity of the outcome.

More than 82% of voting shareholders supported the resolution, providing the Board with a strong and unambiguous mandate to proceed with the purchase of Kerry Dairy Ireland from Kerry Group.

This decisive result reflected the confidence of members in the strategic direction being taken and reaffirmed the co-operative principle that major decisions of this scale must ultimately rest with the membership.

### Delivering Value to Members

We financed the initial phase of the acquisition through the Kerry Group share buyback (€261.9 million), a share buyback of (€261.9 million) and a loan note from Kerry Group of (€104 million). Kerry Group retains a 30% interest in Kerry Dairy Ireland. The Society may buy out this interest from 2030. While it remains a shareholder, Kerry Group is entitled to an annual fixed dividend of €7.5 million.

In addition to funding the acquisition through the Kerry Group share buyback, the Society also effected a direct transfer of €1.4 billion of Kerry Group shares into the hands of Member Shareholders in a tax-neutral manner. This distribution unlocked value for both active and former milk suppliers through the liquidity of the Kerry Group shares and the associated entitlement to dividends.

### Acknowledgement of the Board

I want to place on record my sincere thanks to my fellow Directors for their commitment, discipline and collective leadership throughout this process. The level of time, analysis and judgement required was exceptional, and the successful outcome achieved in December was the result of sustained teamwork and shared responsibility at Board level.

### Business Performance and Transition

We remain very proud of our shared heritage with Kerry Group and of its success as a world-leading food business. In 2024, the Society received dividend income of €23.4 million from Kerry Group plc (2023: €21.6 million), and a share interest payment of €5.00 per share was made in August 2024 (2023: €4.50 per share).

The acquisition of the KDI business was completed at the end of the financial year. Accordingly, the results of KDI have not been consolidated within KCC's income statement for the year ended 31 December 2024. However, as the transaction was finalised at year end, the assets and liabilities of KDI have been incorporated into KCC's consolidated balance sheet as at 31 December 2024.

The business continues to be led by its existing management team and remains focused on maintaining strong consumer brands, delivering high-quality products and supporting milk suppliers across the region.

### Board Changes

On behalf of the Board, I would like to thank Seamus Crawford, who retired from the Board in November 2024, for his valued contribution and service to the Society. I also welcome Martin Crowe, who was elected to the Board in December 2024.

### Electoral Review

A full electoral review was undertaken in 2024 by the secretary. As a result of that review, the Advisory members reduced from 162 to 131 members and the board of directors reduced from 19 to 17 directors.

### Looking Ahead

The decisions taken in 2024 marked a fundamental shift for the Society. We moved from being a shareholder in a plc to becoming the majority owner of Kerry Dairy Ireland. While the business is run by its own Board and management, the co-op now has a clear and influential governance role, allowing us to safeguard members' interests and support long-term investment and resilience in an increasingly volatile market.

Central to this is our commitment to paying a competitive milk price to members, supported by initiatives such as the Evolve Regen Dairy programme, which continues to make incremental sustainability-linked payments to farmers adopting more sustainable practices. We are also working with ICOS to ensure members' voices are clearly represented on key policy issues.

As Chairman, I remain deeply conscious of the trust placed in the Board by shareholders. With your continued support, I am confident that Kerry Co-operative Creameries and Kerry Dairy Ireland are well positioned for the next phase of development.



**James Tangney**

Chairman

17 April 2026





## Board Meetings 2024

### Full Board / Strategy Meetings

| Members          | Meetings 2024 |
|------------------|---------------|
| John Lawlor      | 31            |
| John O'Sullivan  | 31            |
| Patrick O'Neill  | 31            |
| Jim McInerney    | 31            |
| Pat O'Donoghue   | 31            |
| John C O'Connor  | 31            |
| Conor Creedon    | 31            |
| Seamus Crawford  | 31            |
| Martin Moloney   | 31            |
| James Tangney    | 31            |
| Patrick Keane    | 31            |
| Shane Wall       | 31            |
| Denis Carroll    | 31            |
| Eoghan McCarthy  | 31            |
| Denis Donovan    | 31            |
| Joe Collins      | 31            |
| Michal G O'Flynn | 31            |
| Michael Dowd     | 31            |
| TJ Murphy        | 31            |
| Martin Crowe     | 2             |

### Remuneration Committee

| Members         | Meetings 2024 |
|-----------------|---------------|
| Seamus Crawford | 2             |
| Eoghan McCarthy | 2             |
| Conor Creedon   | 2             |
| James Tangney   | 2             |
| Jim McInerney   | 2             |
| TJ Murphy       | 2             |
| Joe Collins     | 2             |

### 50th Anniversary Committee

| Members         | Meetings 2024 |
|-----------------|---------------|
| John C O'Connor | 8             |
| Eoghan McCarthy | 8             |
| Jim McInerney   | 8             |
| Shane Wall      | 8             |
| James Tangney   | 8             |
| Conor Creedon   | 8             |

### Leading Milk Price Committee

| Members         | Meetings 2024 |
|-----------------|---------------|
| Conor Creedon   | 5             |
| James Tangney   | 5             |
| Pat O'Donoghue  | 5             |
| Shane Wall      | 5             |
| Seamus Crawford | 5             |
| Joe Collins     | 5             |
| Mike Dowd       | 5             |

### Audit Committee

| Members         | Meetings 2024 |
|-----------------|---------------|
| Martin Moloney  | 4             |
| Patrick O'Neill | 4             |
| Mike O'Flynn    | 4             |
| John O'Sullivan | 4             |
| John C O'Connor | 4             |
| James Tangney   | 4             |
| Conor Creedon   | 4             |



## Secretary's Report

Lorraine Mulvihill  
Company Secretary

The year ended 31 December 2024 represents one of the most significant and transformative periods in the modern history of Kerry Co-Operative Creameries Limited (the “Society”). Over the course of the year the Board devoted considerable time and attention to assessing the long-term strategic direction of the Society, with a clear focus on protecting and enhancing the value of the Society for its members while strengthening its position within the Irish dairy sector.

Throughout 2024 the Board engaged in a comprehensive process of strategic review in relation to the potential acquisition of the Kerry Dairy Ireland business and the future structure of the Society’s shareholding in Kerry Group plc. These discussions were conducted with careful consideration of the Society’s heritage and its long-standing relationship with Kerry Group, together with a clear objective of delivering an outcome that would provide long-term stability for the co-operative while creating tangible value for shareholders.

The Board met regularly during the year to consider the progress of these discussions and to evaluate the financial, legal and strategic implications of the proposals under consideration. This work was supported by the Society’s professional advisors and involved detailed analysis and negotiation over an extended period. A strong emphasis was placed on ensuring that members were kept appropriately informed as the proposals developed and that, when presented for approval, shareholders would have the information necessary to make a fully informed decision.

A defining milestone in the year was the **Special General Meeting (“SGM”) held on 16 December**

**2024 at the INEC Arena in Killarney**, which was convened to allow members to consider and vote on proposals of fundamental strategic importance to the Society. The meeting was one of the largest gatherings of members in the Society’s history and reflected the significance of the matters under consideration.

At the SGM, members were asked to vote on resolutions relating to the **proposed acquisition by the Society of the Kerry Dairy Ireland business**, together with a proposal providing for the **spin-out of approximately 85% of the Society’s shareholding in Kerry Group plc**, with those shares to be distributed directly to shareholders on an individual basis.

Shareholders were engaged in constructive discussion which took place over the course of 14 public meetings in the Kerry, Cork, Limerick and Clare regions, where the strategic rationale underpinning the proposals and the anticipated benefits for members were presented to them before proceeding to the formal vote on the 16<sup>th</sup> of December. The resolutions were approved on that day by a substantial majority of those present and voting. 2,376 votes were cast on the day in just under 40 minutes, with 1,955 of those votes in favour of the proposal, an overwhelming 82% majority.

I would like to record my sincere appreciation to the Share Registration Department at Kerry Group, especially Eileen Casey and her team, for their professionalism in overseeing the registration of all members on the day. I would also like to extend thanks to the ICOS team along with the members of Deloitte who oversaw the registration, vote and count on the day along with our 4 members from the auditorium who volunteered to oversee the count. I would also like to extend thanks to Mary Buckley of KDI and James O'Connell and his team from the Kerry Agribusiness, for their support in the lead up to the SGM, organising the buses for our shareholders, looking after the car park along with members of An Garda Siochana on the day, helping with the ushering of our members into the registration areas in a safe and calm manner. It was thanks to the efforts of all that the SGM went off in a seamless manner.

And finally, I would like to give a special mention of thanks to Breffni Ingerton and her team in the INEC Gleneagle Hotel who were exceptional on the day. To provide a hot lunch to over 2,000 of our members with no waiting and no queueing was a feat. All the extra staff, all the health and safety measures and the attention to detail by Breffni and her team, on behalf of the board and our members I thank you.

The approval of these proposals represents a landmark development for the Society. The acquisition of the Kerry Dairy Ireland business will position Kerry Co-Operative Creameries Limited as a leading farmer-owned dairy processing co-operative with a strengthened operational base and a clear strategic focus on dairy processing and milk supply. At the same time, the spin-out of the majority of the Society's shareholding in Kerry Group plc will enable shareholders to receive those shares directly, delivering significant value to members while simplifying the overall ownership structure of the Society.

Following the outcome of the SGM, the Society commenced the necessary work required to implement the transaction. This includes progressing regulatory approvals, finalising the detailed legal and financial structuring of the transaction and preparing the processes required to facilitate the distribution of Kerry Group plc shares to eligible shareholders.

From a personal perspective, 2024 has been an exceptional and defining year for the Society, and it has been a privilege to contribute directly to the work that led to this historic outcome. As the **sole executive member of staff within Kerry Co-Operative Creameries Limited**, I had the opportunity from the outset to work closely with our Chair, **James Tangney**, and the Board of Directors as negotiations and strategic discussions progressed. Being actively involved in the analysis, negotiations and detailed preparation underpinning the proposals presented to members has been both professionally significant and personally rewarding.

The scale and complexity of the transaction required sustained commitment, careful judgement and close collaboration over an extended period. Throughout this process I observed first-hand the dedication, leadership and strategic focus demonstrated by the Chair and the Board in pursuing an outcome that would serve the long-term interests of the Society's members. I am proud to have supported the Board in this work and to have contributed to a process that positions the Society for a strong and sustainable future while delivering substantial value directly to shareholders.

The Board was supported throughout the year by a highly experienced team of professional advisors whose expertise was central to the successful progression of the transaction. On behalf of the Society, I wish to record sincere appreciation to Jim Woulfe, whose counsel, leadership, knowledge and commitment was exceptional, to Alan Fuller and his team at **McCann FitzGerald**, to Simon McAllister and his team at **EY**, to **Ronan MacNioclas, Grant Thornton, Malachy Walsh & Partners, Environmental Efficiency, RDJ, Myles Kirby & John Healy** for the professionalism, insight and commitment they brought to the process. Their advice across legal, financial, taxation, engineering and environmental disciplines ensured that the Society and its members were supported by the highest standards of professional counsel throughout what was a complex and demanding transaction. And of course, finally, a huge thank you to Paddy Hughes and his team in Drury Consultancy who headed up our PR throughout the year.

Finally, I would like to acknowledge the continued engagement and support of the members of the Society. The strong turnout and constructive participation at the public meetings and Special General Meeting demonstrated the strength of the co-operative ethos that has underpinned Kerry Co-Operative Creameries Limited since its foundation. The decisions taken during the year reflect the collective commitment of members to the long-term development and success of the Society.

The events of 2024 mark the beginning of a new and important chapter in the evolution of Kerry Co-Operative Creameries Limited. With the acquisition of the Kerry Dairy Ireland business and the restructuring of the Society's shareholding in Kerry Group plc, the foundations are now being laid for a renewed and focused co-operative with a clear strategic direction.

Looking ahead, the Board remains committed to ensuring that the Society continues to play a central role in supporting its farming members, strengthening the Irish dairy sector and delivering sustainable long-term value. Building on the legacy and vision that have defined the organisation for generations, the Society enters the next phase of its development with confidence, purpose and a strong platform from which to grow in the years ahead.



**Lorraine Mulvihill**

Secretary

Kerry Co-Operative Creameries Limited 2024



**KERRY CO-OPERATIVE CREAMERIES LIMITED**  
**BOARD OF DIRECTORS**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024**



J. Tangney  
*Chairman*  
*East Limerick*



C. Creedon  
*Vice Chairman*  
*East Kerry*



J. Lawlor  
*Ardkream*



J. O'Sullivan  
*Ardkream*



J. McInerney  
*Clare*



P. O'Donoghue  
*Clare*



J. O'Connor  
*Dicks Grove*



S. Crawford  
*East Limerick*



M. Moloney  
*East Limerick*



D. Carroll  
*Iveragh*



P. Keane  
*Feale*



E. McCarthy  
*Iveragh*



D. Donovan  
*West Limerick*



J. Collins  
*West Limerick*



S. Wall  
*Feale*



TJ Murphy  
*Dicks Grove*



Mike Dowd  
*West Kerry*



Martin Crowe  
*East Limerick*



Michael G O'Flynn  
*West Limerick*



P. O'Neill  
*Clare*

**KERRY CO-OPERATIVE CREAMERIES LIMITED**  
**DIRECTORS AND OTHER INFORMATION**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024**

**DIRECTORS**

J. Tangney  
*Chairman*

C. Creedon  
*Vice Chairman*

J. Lawlor  
 J. O'Sullivan  
 J. McInerney  
 P. O'Donoghue  
 J. O'Connor  
 S. Crawford  
 M. Moloney  
 D. Carroll  
 P. Keane  
 E. McCarthy  
 D. Donovan  
 J. Collins  
 S. Wall  
 T.J. Murphy  
 M. Dowd  
 M. O'Flynn  
 P. O'Neill  
 M. Crowe

**AUDITORS**

PricewaterhouseCoopers  
 One Albert Quay  
 Cork

**REGISTERED  
 HEAD OFFICE**

FBD House  
 Dan Spring Road  
 Fels Point  
 Tralee  
 Co Kerry  
 V92 RW5W

**BANKERS**

Allied Irish Banks plc  
 1 Lower Baggot St  
 Dublin 2

**KERRY CO-OPERATIVE CREAMERIES LIMITED**  
**STATEMENT OF BOARD RESPONSIBILITIES**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024**

The board are responsible for preparing the financial statements in accordance with applicable Irish law including the Industrial and Provident Society's Act 1893 to 2021.

Irish law requires the board to prepare financial statements for each financial year. Under the law, the board have elected to prepare the financial statements in accordance with International Financial Reporting Standards ("IFRSs") as adopted by the European Union ("relevant financial reporting framework"). Under the law, the board must not approve the financial statements unless they are satisfied that they give a true and fair view of the assets, liabilities, and financial position of the society as at the financial year end date and of the profit or loss of the society for the financial year.

In preparing those financial statements, the board are required to:

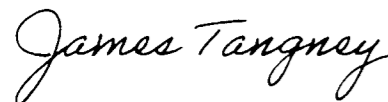
- Select suitable accounting policies for the Society Financial Statements and then apply them consistently.
- Make judgements and estimates that are reasonable and prudent.
- State whether the financial statements have been prepared in accordance with the applicable accounting standards, identify those standards, and note the effect and the reasons for any material departure from those standards; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the society will continue in business.

The board are responsible for ensuring that the society keeps or causes to be kept adequate accounting records which correctly explain and record the transactions of the society, enable at any time the assets, liabilities, financial position and profit or loss of the society to be determined with reasonable accuracy, enable them to ensure that the financial statements and chairman's statement comply with Irish law and enable the financial statements to be audited. 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.

Legislation in Ireland governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions. The board are responsible for the maintenance and integrity of the corporate and financial information included on the society's website.

The board confirm that they have complied with the above requirements in preparing the financial statements.

Signed for and on behalf of the Board.



**James Tangney**  
Chairman  
17.04.2026



**Patrick O'Neill**  
Chairman of Audit Committee  
17.04.2026

**Independent auditors' report to the members of**  
**Kerry Co-Operative Creameries Limited**

**Report on the audit of the financial statements**

**Opinion**

In our opinion, Kerry Co-Operative Creameries Limited group financial statements (the "financial statements"):

- give a true and fair view of the group's assets, liabilities and financial position as at 31 December 2024 and of its profit and cash flows for the year then ended; and
- have been properly prepared in accordance with International Financial Reporting Standards ("IFRSs") as adopted by the European Union.

We have audited the financial statements, included within the Annual Report, which comprise:

- the consolidated statement of financial position as at 31 December 2024;
- the consolidated statement of profit & loss for the year then ended;
- the consolidated statement of comprehensive income for the year then ended;
- the consolidated statement of changes in equity for the year then ended;
- the consolidated statement of cash flows for the year then ended; and
- the notes to the financial statements, which include a description of the significant accounting policies.

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (Ireland) ("ISAs (Ireland)") and applicable law. Our responsibilities under ISAs (Ireland) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Independence**

We remained independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in Ireland, which includes IAASA's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

**Conclusions relating to going concern**

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 group's ability to continue as a going concern for a period of at least twelve months from the date on which the financial statements are authorised for issue.

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.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the group's ability to continue as a going concern.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

**Reporting on other information**

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

## Responsibilities for the financial statements and the audit

### Responsibilities of the directors for the financial statements

As explained more fully in the Statement Of Board Responsibilities set out on page 14, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they 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 group'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 group or to cease operations, or have no realistic alternative but to do so.

### Auditors' responsibilities for the audit of the financial statements

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

Our audit testing might include testing complete populations of certain transactions and balances, possibly using data auditing techniques. However, it typically involves selecting a limited number of items for testing, rather than testing complete populations. We will often seek to target particular items for testing based on their size or risk characteristics. In other cases, we will use audit sampling to enable us to draw a conclusion about the population from which the sample is selected.

A further description of our responsibilities for the audit of the financial statements is located on the IAASA website at: [https://www.iaasa.ie/getmedia/b2389013-1cf6-458b-9b8f-a98202dc9c3a/Description\\_of\\_auditors\\_responsibilities\\_for\\_audit.pdf](https://www.iaasa.ie/getmedia/b2389013-1cf6-458b-9b8f-a98202dc9c3a/Description_of_auditors_responsibilities_for_audit.pdf).

This description forms part of our auditors' report.

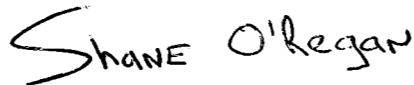
### Use of this report

This report, including the opinions, has been prepared for and only for the group's members as a body in accordance with section 14 of the Industrial and Provident Societies Act 1893 to 2021 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

### Other required reporting

#### Industrial and Provident Societies Act, 1893 to 2021 reporting

As required by section 13(2) of the Industrial and Provident Societies Act, 1893 to 2021 we examined the parent society balance sheet showing the receipts and expenditure, funds and effects of the society, and verified the same with the books, deeds, documents, accounts and vouchers relating thereto, and found them to be correct, duly vouched, and in accordance with law.



**Shane O'Regan**

for and on behalf of PricewaterhouseCoopers  
Chartered Accountants and Statutory Audit Firm  
Cork

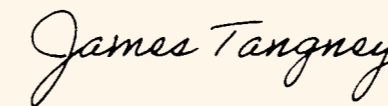
17 April 2026

## FINANCIAL STATEMENTS

### CONSOLIDATED STATEMENT OF PROFIT & LOSS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

|                        | Notes | 2024   | 2023  |
|------------------------|-------|--------|-------|
|                        |       | €m     | €m    |
| Investment Income      | 2     | 23.4   | 21.6  |
| Other gains/(losses)   | 3     | 253.2  | (0.6) |
| Operating expenses     | 4     | (12.3) | (3.3) |
| Profit before taxation |       | 264.3  | 17.7  |
| Income tax expense     | 8     | -      | -     |
| Profit after taxation  |       | 264.3  | 17.7  |

Profit for both the current and preceding financial year arises solely from continuing operations.



**James Tangney**

Chairman

17.04.2026



**Patrick O'Neill**

Chairman of Audit Committee

17.04.2026

## FINANCIAL STATEMENTS

### CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

|  | 2024<br>€m   | 2023<br>€m     |
|--|--------------|----------------|
| Profit after taxation  | 264.3        | 17.7           |
| <b>Other comprehensive expense:</b>  |              |                |
| <b>Items that are or may be reclassified subsequently to profit or loss</b>                  |              |                |
| Changes in fair value of equity investments at fair value through other comprehensive income | -            | (141.7)        |
| <b>Other comprehensive expense</b>   | -            | (141.7)        |
| <b>Total comprehensive income/(expense)</b>  | <b>264.3</b> | <b>(124.0)</b> |

## FINANCIAL STATEMENTS

### CONSOLIDATED STATEMENT OF FINANCIAL POSITION FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

|   | Notes | 31 December<br>2024<br>€'m | 31 December<br>2023<br>€'m | 1 January<br>2023<br>€'m |
|---|-------|----------------------------|----------------------------|--------------------------|
| <b>Non-current assets</b>   |       |                            |                            |                          |
| Property, plant and equipment   | 9     | 234.2                      | -                          | -                        |
| Intangible assets   | 10    | 230.4                      | -                          | -                        |
| Financial assets investments  | 11    | 1.5                        | 1,550.9                    | 1,693.2                  |
|   |       | <b>466.1</b>               | <b>1,550.9</b>             | <b>1,693.2</b>           |
| <b>Current assets</b>   |       |                            |                            |                          |
| Inventories   | 12    | 115.6                      | -                          | -                        |
| Trade and other receivables   | 13    | 300.5                      | 0.8                        | 0.1                      |
| Cash at bank and in hand  |       | 31.7                       | 19.8                       | 21.6                     |
|   |       | <b>447.8</b>               | <b>20.6</b>                | <b>21.7</b>              |
| <b>Total assets</b>   |       | <b>913.9</b>               | <b>1,571.5</b>             | <b>1,714.9</b>           |
| <b>Current liabilities</b>  |       |                            |                            |                          |
| Trade and other payables  | 14    | 313.5                      | 3.3                        | 8.2                      |
| Derivative financial liabilities  | 17    | 0.8                        | -                          | -                        |
| Deferred income   | 15    | 0.6                        | -                          | -                        |
|   |       | <b>314.9</b>               | <b>3.3</b>                 | <b>8.2</b>               |
| <b>Non-current liabilities</b>  |       |                            |                            |                          |
| Other long-term financial liabilities   | 16    | 286.5                      | -                          | -                        |
| Deferred tax liabilities  | 8     | 29.2                       | -                          | -                        |
| Deferred income   | 15    | 7.1                        | -                          | -                        |
|   |       | <b>322.8</b>               | <b>-</b>                   | <b>-</b>                 |
| <b>Total liabilities</b>  |       | <b>637.7</b>               | <b>3.3</b>                 | <b>8.2</b>               |
| <b>Net assets</b>   |       | <b>276.2</b>               | <b>1,568.2</b>             | <b>1,706.7</b>           |
| <b>Equity</b>   |       |                            |                            |                          |
| Called-up share capital   | 19    | 0.6                        | 3.9                        | 4.0                      |
| Reserve fund  |       | 0.1                        | 0.1                        | 0.1                      |
| Fair value reserve of financial assets at Fair value other comprehensive income |       | -                          | 1,517.4                    | 1,659.0                  |
| Retained earnings   |       | 275.5                      | 46.8                       | 43.6                     |
| <b>Total equity</b>   |       | <b>276.2</b>               | <b>1,568.2</b>             | <b>1,706.7</b>           |

The financial statements were approved by the Board on the 25 June 2024 and signed on its behalf by:



James Tangney, Chairman  
17 April 2026



Patrick O'Neill, Chairman of Audit Committee  
17 April 2026

## FINANCIAL STATEMENTS

### CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

|   | Notes | Called-up Share Capital | Reserve Fund | Fair Value Reserve of Financial Assets at Fair value other comprehensive income | Retained Earnings | Total          |
|---|-------|-------------------------|--------------|---|-------------------|----------------|
|   |       | €'m                     | €'m          | €'m   | €'m               | €'m            |
| At 1 January 2023   |       | 4.0                     | 0.1          | 1,659.0   | 43.6              | 1,706.7        |
| Profit after taxation                                       |       | -                       | -            | -   | 17.7              | 17.7           |
| Other comprehensive expense                                 |       | -                       | -            | (141.7)   | -                 | (141.7)        |
| Total comprehensive income                                  |       | -                       | -            | (141.7)   | 17.7              | (124.0)        |
| Market drop on investment value and transfer on realisation |       | -                       | -            | -   | 31.7              | 31.7           |
| Share redemption  |       | (0.1)                   | -            | 0.1   | (31.7)            | (31.7)         |
| Share interest paid   | 7     | -                       | -            | -   | (14.5)            | (14.5)         |
| <b>At 31 December 2023</b>                                  |       | <b>3.9</b>              | <b>0.1</b>   | <b>1,517.4</b>  | <b>46.8</b>       | <b>1,568.2</b> |
| Profit after taxation                                       |       | -                       | -            | -   | 264.3             | 264.3          |
| Other comprehensive income                                  |       | -                       | -            | -   | -                 | -              |
| Total comprehensive income                                  |       | -                       | -            | -   | 264.3             | 264.3          |
| Share transfer on realisation                               |       | -                       | -            | (1,517.4)   | 1,517.4           | -              |
| Share redemptions   | 19    | (3.3)                   | -            | -   | (1,537.4)         | (1,540.7)      |
| Share interest paid   | 7     | -                       | -            | -   | (15.6)            | (15.6)         |
| <b>At 31 December 2024</b>                                  |       | <b>0.6</b>              | <b>0.1</b>   | <b>-</b>  | <b>275.5</b>      | <b>276.2</b>   |

## FINANCIAL STATEMENTS

### CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

|  | Notes | 2024          | 2023          |
|--|-------|---------------|---------------|
|  |       | €'m           | €'m           |
| <b>Cash flows from operating activities</b>                    |       |               |               |
| Profit after taxation  |       | 264.3         | 17.7          |
| (Profit)/loss on sale of investments                           |       | (253.2)       | 0.6           |
| Increase in receivables  |       | (1.1)         | (0.7)         |
| Increase/(decrease) in payables                                |       | 7.0           | (4.9)         |
| <b>Net cash from operating activities</b>                      |       | <b>17.0</b>   | <b>12.7</b>   |
| <b>Investing activities</b>                                    |       |               |               |
| Proceeds from sale of shares net of transaction costs          | 21    | 0.2           | 31.7          |
| Purchase of business (net of cash acquired)                    |       | 10.3          | -             |
| <b>Net cash received from investing activities</b>             |       | <b>10.5</b>   | <b>31.7</b>   |
| <b>Financing activities</b>                                    |       |               |               |
| Share interest payment   |       | (15.6)        | (14.5)        |
| Share redemption   |       | -             | (31.7)        |
| <b>Net cash movement used in financing activities</b>          |       | <b>(15.6)</b> | <b>(46.2)</b> |
| <b>Net increase/(decrease) in cash and cash equivalents</b>    |       | <b>11.9</b>   | <b>(1.8)</b>  |
| Cash and cash equivalents at beginning of the financial period |       | 19.8          | 21.6          |
| <b>Cash and cash equivalents at end of the period</b>          |       | <b>31.7</b>   | <b>19.8</b>   |

## FINANCIAL STATEMENTS

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

#### 1 Statement of accounting policies

##### General information

Kerry Co-operative Creameries Limited is a society incorporated and registered in Ireland. The registered number of the society is 3618R. The registered office of the society is Prince's Street, Tralee, Co. Kerry, Ireland. The nature of the society's operations and its principal activities are set out in the Directors Report.

##### Summary of material accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been applied consistently to all the years presented, unless otherwise stated.

##### Basis of preparation

The consolidated financial statements of Kerry Co-Op Creameries Limited have been prepared in accordance with International Financial Reporting Standards as adopted in the European Union ('IFRS Accounting Standards'), and International Financial Reporting Interpretations Committee ('IFRIC') interpretations. For all periods up to and including the year ended 31 December 2023, the Group prepared its financial statements in accordance with FRS102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. These financial statements for the year ended 31 December 2024 are the first the Group has prepared in accordance with IFRS. There were no material measurement differences on transition. The financial statements comprise the Consolidated Statement of Profit & Loss, the Consolidated Statement of Comprehensive Income, the Consolidated Statement of Financial Position, the Consolidated Statement of Changes in Equity, the Consolidated Statement of Cash Flows and the notes to the financial statements. The Group financial statements have also been prepared in accordance with International Financial Reporting Standards ('IFRS') adopted by the European Union ('EU') which comprise standards and interpretations approved by the International Accounting Standards Board ('IASB'). The Group financial statements comply with Article 4 of the EU IAS Regulation. IFRS adopted by the EU differs in certain respects from IFRS Accounting Standards issued by the IASB. References to IFRS hereafter refer to IFRS adopted by the EU.

The Parent Society's financial statements are prepared using accounting policies consistent with the accounting policies applied to the consolidated financial statements by the Group.

The consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain financial assets and liabilities (including derivative financial instruments) and financial asset investments which are held at fair value.

The consolidated financial statements contained herein are presented in euro, which is the functional currency of the Parent Society, Kerry Co-Op Creameries Limited. The functional currencies of the Group's main subsidiaries are euro and sterling.

The consolidated and society financial statements have been prepared on the going concern basis of accounting. The Directors have considered the Group's business activities and how it generates value, together with the main trends and factors likely to affect future development, business performance and position of the Group including liquidity and access to financing and the potential impacts of climate, geopolitical and macroeconomic environment related risks on profitability. The going concern of the Group was also assessed by considering the potential impact of climate related risks on profitability and liquidity, continuing inflationary cost pressures, customer inventory management and changing interest rates during the period. There are no material uncertainties that cast significant doubt on the Group's ability to continue as a going concern over a period of at least 12 months from the date of approval of these financial statements. The Directors report that they have satisfied themselves that the Group is a going concern, having adequate resources to continue in operational existence for the foreseeable future. In forming this view, the Directors have reviewed the Group's forecast for a period not less than 12 months, the medium term plan, and its cashflow implications have been taken into account, including proposed capital expenditure, and compared these with the Group's committed borrowing facilities and projected gearing ratios.

## FINANCIAL STATEMENTS

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

#### 1 Statement of accounting policies, continued

##### Basis of Consolidation

###### Subsidiaries

The consolidated financial statements incorporate the financial statements of the Society and the entities controlled by the Society (its subsidiaries), all of which prepare financial statements up to 31 December. Accounting policies of subsidiaries are consistent with the policies adopted by the Group. Control is achieved where the Society has the power over the investee, has exposure or has rights to variable returns from its involvement with the investee and has the ability to use its power to affect its returns.

The results of subsidiaries acquired or disposed of during the financial year are included in the Consolidated Statement of Profit & Loss from the date the Society gained control until the date the Society ceased to control the subsidiary. All inter-group transactions and balances are eliminated on consolidation.

##### Revenue

Revenue represents the value of the consideration received or receivable, from third party customers. Revenue is recorded at invoice value, net of discounts, allowances, volume and promotional rebates and excludes VAT. Revenue is recognised when control of the products has transferred, which is usually upon shipment, or in line with terms agreed with individual customers. Revenue is recorded when there is no unfulfilled obligation on the part of the Group. An estimate is made on the basis of historical sales returns and is recorded to allocate these returns to the same period as the original revenue is recorded. Rebates and discounts are provided for based on agreements or contracts with customers, agreed promotional arrangements and accumulated experience using the expected value method. Any unutilised accrual is released after assessment that the likelihood of such a claim being made is highly improbable. Under IFRS 15 'Revenue from Contracts with Customers' revenue

is primarily recognised at a point in time. Revenue recorded over time during the year was not material to the Group. The Group disaggregates revenue by primary geographic market in which the end consumer or customer of the Group's product operates. The economic factors within the geographic markets which affect the nature, amount, timing and uncertainty of revenue and cash flows are similar.

##### Property, plant and equipment

Property, plant and equipment, other than freehold land, are stated at cost less accumulated depreciation and any accumulated impairment losses. Cost comprises purchase price and other directly attributable costs. Freehold land is stated at cost and is not depreciated. Depreciation on the remaining property, plant and equipment is calculated by charging equal annual instalments to the Consolidated Statement of Profit & Loss at the following annual rates:

|                                  |          |
|----------------------------------|----------|
| - Buildings                      | 2% - 5%  |
| - Plant, machinery and equipment | 7% - 25% |
| - Motor vehicles                 | 20%      |

The charge in respect of periodic depreciation is calculated after establishing an estimate of the asset's useful economic life and the expected residual value at the end of its useful economic life. Increasing/(decreasing) an asset's expected useful economic life or its residual value would result in a (decreased)/increased depreciation charge to the Consolidated Statement of Profit & Loss as well as an increase/(decrease) in the carrying value of the asset.

The useful economic lives of Group assets are determined by management at the time the assets are acquired and reviewed annually for appropriateness. These useful economic lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their useful economic life, such as changes in technology or the location of the asset and its climate related risk. Historically, changes in useful economic lives or residual values have not resulted in material changes to the Group's depreciation charge.

## FINANCIAL STATEMENTS

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

#### 1 Statement of accounting policies, continued

##### Property, plant and equipment, continued

Assets in the course of construction for production or administrative purposes are carried at cost less any recognised impairment loss. Cost includes professional fees and other directly attributable costs. Depreciation of these assets commences when the assets are ready for their intended use, on the same basis as other property assets.

##### Leasing

At the commencement date of the lease, the Group recognises a right-of-use asset and a lease liability on the Consolidated Statement of Financial Position. The right-of-use asset is measured at cost, which consists of the initial measurement of the lease liability, any initial direct costs incurred by the Group in setting up/entering into the lease, an estimate of any costs to dismantle and remove the asset at the end of the lease and any payments made in advance of the lease commencement date (net of any incentive received).

The Group depreciates right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life or the end of the lease term. The carrying amounts of right-of-use assets are reviewed at each Statement of Financial Position date to determine whether there is any indication of impairment. An impairment loss is recognised when the carrying value of an asset exceeds its recoverable amount.

The Group measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the applicable incremental borrowing rate. Lease payments included in the measurement of the lease liability comprises of fixed or variable payments (based on an index or rate), amounts expected to be payable under a residual value guarantee and payments arising from options reasonably certain to be exercised.

Subsequent to the initial measurement, the liability will be reduced for payments made and increased for the interest applied and is remeasured to reflect any reassessment or contract modifications. When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset or in the Consolidated Statement of Profit & Loss if the right-of-use asset is already reduced to nil.

The Group has elected to record short-term leases of less than 12 months and leases of low-value assets as defined in IFRS 16 as an operating expense in the Consolidated Statement of Profit & Loss on a straight-line basis over the lease term.

The Group has also elected not to separate non-lease components from lease components, and instead account for each lease component and any associated non-lease components as a single lease component, further increasing the lease liability.

##### Intangible assets

###### Goodwill

Goodwill arises on business combinations and represents the excess of the cost of acquisition over the Group's interest in the fair value of the identifiable assets and liabilities acquired.

At the date control is achieved, goodwill is allocated for the purpose of impairment testing to groups of cash generating units (CGUs) provided they represent the lowest level at which management monitor goodwill for impairment purposes. Goodwill is not amortised but is reviewed for indications of impairment at least annually and is carried at cost less accumulated impairment losses, where identified. Impairment is recognised immediately in the Consolidated Statement of Profit & Loss and is not subsequently reversed. On disposal of a subsidiary, the attributable amount of goodwill (not previously written off to reserves) is included in the determination of the profit or loss on disposal.

## FINANCIAL STATEMENTS

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

#### 1 Statement of accounting policies, continued

##### Intangible assets, continued

###### Brand related intangibles

Brand related intangibles acquired as part of a business combination are valued at their fair value at the date control is achieved. Intangible assets determined to have an indefinite useful economic life are not amortised and are tested for impairment at least annually. Indefinite life intangible assets are those for which there is no foreseeable limit to their expected useful economic life. In arriving at the conclusion that these brand related intangibles have an indefinite useful economic life, management considers the nature and type of the intangible asset, the absence of any legal or other limits on the assets' use, the fact the business and products have a track record of stability, the high barriers to market entry and the Group's commitment to continue to invest for the long-term to extend the period over which the intangible asset is expected to continue to provide economic benefits. The classification of intangible assets as indefinite is reviewed annually. The future expectation of potential market disruption due to changing consumer preferences or changes in supply chain of raw materials linked to sustainability and climate change were assessed as part of this review and were deemed to have no material impact.

###### Computer software

Computer software separately acquired, including computer software which is not an integral part of an item of computer hardware, is stated at cost less any accumulated amortisation and any accumulated impairment losses. Cost comprises purchase price and other directly attributable costs.

Costs relating to the development of computer software for internal use are capitalised once the following recognition criteria outlined are met:

- an asset can be separately identified;
- it is probable that the asset created will generate future economic benefits;
- the development cost of the asset can be measured reliably;
- it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity;
- the cost of the asset can be measured reliably; and
- the Group controls the asset.

Computer software is amortised over its expected useful economic life, which ranges from 3 to 7 years, by charging equal annual instalments to the Consolidated Statement of Profit & Loss. Amortisation commences when the assets are ready for use.

###### Research and development expenditure

Expenditure on research activities is recognised as an expense in the financial year it is incurred.

Development expenditure is assessed and capitalised as an internally generated intangible asset only if it meets all of the following criteria:

- it is technically feasible to complete the asset for use or sale;
- it is intended to complete the asset for use or sale;
- the Group has the ability to use or sell the intangible asset;
- it is probable that the asset created will generate future economic benefits;
- adequate resources are available to complete the asset for sale or use; and
- the development cost of the asset can be measured reliably.

Capitalised development costs are amortised over their expected economic lives. Where no internally generated intangible asset can be recognised, product development expenditure is recognised as an expense in the financial year it is incurred. Accordingly, the Group has not capitalised product development expenditure to date.

## FINANCIAL STATEMENTS

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

#### 1 Statement of accounting policies, continued

##### Impairment of non-financial assets

Goodwill and other intangible assets that have an indefinite useful economic life are not subject to amortisation. They are tested annually for impairment or when indications exist that the asset may be impaired. For the purpose of assessing impairment, these assets are allocated to groups of cash generating units (CGUs) using a reasonable and consistent basis. An impairment loss is recognised immediately in the Consolidated Statement of Profit & Loss for the amount by which the asset's carrying value exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell or its value in use. Value in use is determined as the discounted future cash flows of the CGU. The key assumptions during the financial period for the value in use calculations are discount rates, cash flows (including revenue growth rates and EBITDA margin percentages) and long-term growth rates.

When an impairment loss (other than on goodwill) subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, not exceeding its carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate the carrying amount may not be recoverable. Impairment is reviewed by assessing the asset's value in use when compared to its carrying value.

The carrying amounts of property, plant and equipment and financial investments are reviewed at each Statement of Financial Position date to determine whether there is any indication of impairment. An impairment loss is recognised when the carrying value of an asset exceeds its recoverable amount.

##### Taxation

Taxation includes both current and deferred taxes. Income taxes are charged or credited to the Consolidated Statement of Profit & Loss except when they relate to items charged or credited directly in other comprehensive income or shareholders' equity. In this instance the income taxes are also charged or credited to other comprehensive income or shareholders' equity.

The current tax charge is calculated as the amount payable based on taxable profit and the tax rates applying to those profits in the financial year together with adjustments relating to prior years. Deferred taxes are calculated using the tax rates that are expected to apply in the period when the liability is settled or the asset is realised, based on tax rates that have been enacted or substantively enacted at the Consolidated Statement of Financial Position date.

Deferred taxes are calculated based on the temporary differences arising between the tax base of the asset or liability and its carrying value in the Consolidated Statement of Financial Position. Deferred taxes are recognised on all temporary differences in existence at the financial position date except for:

- temporary differences which arise from the initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction does not affect accounting or taxable profit or loss, or on the initial recognition of goodwill for which a tax deduction is not available; and
- temporary differences which arise on investments in subsidiaries where the timing of the reversal is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

The recognition of a deferred tax asset is based upon whether it is probable that sufficient and suitable taxable profits will be available in the future, against which the reversal of temporary differences can be deducted. Deferred tax assets are reviewed at each reporting date.

## FINANCIAL STATEMENTS

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

#### 1 Statement of accounting policies, continued

##### Taxation, continued

Current income tax assets and current income tax liabilities are offset where there is a legally enforceable right to offset the recognised amounts and the Group intends to settle on a net basis. Deferred income tax assets and deferred income tax liabilities are offset where there is a legally enforceable right to offset the recognised amounts, the deferred tax assets and deferred tax liabilities relate to taxes levied by the same taxation authority and the Group intends to settle on a net basis.

The Government of Ireland, the jurisdiction in which the Group is incorporated, transposed the Global Minimum Tax Pillar Two rules into domestic legislation as part of the Finance (No.2 Act 2023 (the 'Finance Act'). The Finance Act closely follows the EU Minimum Tax Directive and OECD Guidance released to date. The Pillar Two rules applies a 15% effective tax rate on profits and the Group is within the scope of these rules from 1 January 2023.

In respect of the year ended 31 December 2024, the Pillar Two legislation did not have an impact on the financial statements of the Group. The Group applies the exemption to recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes, as provided in the amendments to IAS 12 issued in May 2023.

##### Retirement benefits obligation

Payments to defined contribution schemes are recognised in the Consolidated Statement of Profit & Loss as they fall due and any contributions outstanding at the financial year end are included as an accrual in the Consolidated Statement of Financial Position.

##### Inventories

Inventories are valued at the lower of weighted average cost and net realisable value. Cost includes all expenditure incurred in the normal course of business in bringing the products to their present location and condition. Net realisable value is the estimated selling price of inventory on hand less all further costs to completion and all costs expected to be incurred in distribution and selling. Write-downs of inventories are primarily recognised under raw materials and consumables in the Statement of Comprehensive Income.

##### Share interest payments

Share interest payments are accounted for when they are approved, through the retained earnings reserve. Share interest payments proposed do not meet the definition of a liability until such time as they have been approved.

##### Foreign currency

Foreign currency transactions are translated into functional currency at the rate of exchange ruling at the date of the transaction. Exchange differences arising from either the retranslation of the resulting monetary assets or liabilities at the exchange rate at the Statement of Financial Position date or from the settlement of the balance at a different rate are recognised in the Statement of Comprehensive Income when they occur.

The income statements of foreign currency operations are translated into euro at the average exchange rate. If this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, a weighted average rate is used. The Statements of Financial Positions of such operations are translated at the rate of exchange at the Statement of Financial Position date. Resulting exchange differences arising on the translation of foreign currency operations are taken directly to a separate component of shareholders' equity.

## FINANCIAL STATEMENTS

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

#### 1 Statement of accounting policies, continued

##### Business combinations

The acquisition method of accounting is used for the acquisition of businesses. The cost of the acquisition is measured at the aggregate fair value of the consideration given. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition under IFRS 3 'Business Combinations' are recognised at their fair value at the date the Group assumes control of the acquiree. Acquisition related costs are recognised in the Consolidated Statement of Profit & Loss as incurred. If the business combination is achieved in stages, the acquisition date fair value of the Group's previously held investment in the acquiree is remeasured to fair value at the acquisition date through profit or loss.

Certain assets and liabilities are not recognised at their fair value at the date control was achieved as they are accounted for using other applicable IFRSs. These include deferred tax assets/liabilities and also any assets related to employee benefit arrangements.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the valuation of the fair value of assets and liabilities acquired is still in progress. Those provisional amounts are adjusted during the measurement period of one year from the date control is achieved when additional information is obtained about facts and circumstances which would have affected the amounts recognised as of that date.

Where applicable, the consideration for the acquisition includes any asset or liability resulting from a contingent consideration arrangement measured at fair value at the date control is achieved. Subsequent changes in such fair values are adjusted against the cost of acquisition where they qualify as measurement period adjustments. All other subsequent changes in the fair value of contingent consideration classified as an asset or liability are accounted for in accordance with relevant IFRSs.

##### Financial instruments

Financial assets and financial liabilities are recognised on the Consolidated Statement of Financial Position when the Group becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are initially measured at fair value plus transaction costs, except for those classified as fair value through profit or loss, which are initially measured at fair value.

All financial assets are recognised and derecognised on a trade date basis, where the purchase or sale of a financial asset is under a contract whose terms require delivery of the financial asset within the timeframe of the market concerned.

Financial assets and liabilities are offset and presented on a net basis in the Consolidated Statement of Financial Position, only if the Group holds an enforceable legal right of set off for such amounts and there is an intention to settle on a net basis or to realise an asset and settle the liability simultaneously. In all other instances they are presented gross in the Consolidated Statement of Financial Position.

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income ('OCI') or through profit or loss); and
- those to be measured at amortised cost.

The classification depends on the Group's business model for managing the financial assets and the contractual terms of the cash flows. For assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI. For investments in equity instruments that are not held for trading, this will depend on whether the Group

## FINANCIAL STATEMENTS

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

#### 1 Statement of accounting policies, continued

##### Financial instruments, continued

has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income ('FVOCI').

##### *Debt instruments:*

Subsequent measurement of debt instruments depend on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are two measurement categories into which the Group classifies its debt instruments:

- Amortised cost: Assets that are held for collection of contractual cash flows, where those cash flows represent solely payments of principal and interest, are measured at amortised cost. Any gain or loss arising on derecognition is recognised directly in the Consolidated Statement of Profit & Loss. Impairment losses are presented in the Consolidated Statement of Profit & Loss.
- FVPL: Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss ('FVPL'). In addition, assets that are irrevocably designated as FVPL at origination to eliminate or significantly reduce an accounting mismatch are also measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in the Consolidated Statement of Profit & Loss.

##### *Equity instruments:*

The Group subsequently measures all equity investments at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to the Consolidated Statement of Profit & Loss following the derecognition of the investment. Dividends from such investments continue to be recognised in the Consolidated Statement of Profit & Loss when the Group's right to receive payments is established.

##### *Trade and other receivables:*

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components. The amount of consideration that is unconditional approximates to fair value. The Group holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method.

##### *Cash and cash equivalents*

Cash and cash equivalents carried at amortised cost consists of cash at bank and in hand held by the Group. Cash at bank and in hand are shown under current assets in the Consolidated Statement of Financial Position under the heading 'Cash at bank and in hand'. The carrying amount of these assets approximates to their fair value.

##### *Financial liabilities measured at amortised cost*

Other non-derivative financial liabilities consist primarily of trade and other payables and borrowings. Trade and other payables are stated at amortised cost, which approximates to their fair value given the short-term nature of these liabilities. Trade and other payables are non-interest bearing.

Debt instruments are initially recorded at fair value, net of transaction costs. Subsequently they are reported at amortised cost.

## FINANCIAL STATEMENTS

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

#### 1 Statement of accounting policies, continued

##### Financial instruments (continued)

##### *Financial liabilities at fair value through profit or loss (FVPL)*

Financial liabilities at FVPL arise when the financial liabilities are either derivative liabilities held for trading or they are designated upon initial recognition as FVPL.

##### *Impairment of financial assets*

The Group assesses on a forward-looking basis the expected credit losses associated with its debt instruments carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables, the Group applies the simplified approach permitted by IFRS 9 'Financial Instruments', which requires expected lifetime losses to be recognised from initial recognition of the receivables. Further detail is provided in note 13.

##### *Derecognition of financial liabilities*

The Group derecognises financial liabilities only when the Group's obligations are discharged, cancelled or expired.

##### *Hedge accounting*

The Group's activities expose it to risks of changes in foreign currency exchange rates. The Group uses foreign exchange forward contracts to hedge these exposures:

- Foreign exchange forward contracts are measured using quoted forward exchange rates to match the maturities of these contracts.

##### **Deferred income**

Grants of a capital nature are accounted for as deferred income in the Statement of Financial Position and are released to the Statement of Comprehensive Income at the same rates as the related assets are depreciated. Grants of a revenue nature are credited to the Statement of Comprehensive Income to offset the matching expenditure.

##### **Share capital**

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

##### **Critical accounting estimates and judgements**

Preparation of the financial statements requires management to make certain estimations, assumptions and judgements that affect the reported profits, assets and liabilities.

Estimates and underlying assumptions are reviewed on an ongoing basis. Changes in accounting estimates may be necessary if there are changes in the circumstances on which the estimate was based or as a result of new information or more experience. Such changes are recognised in the financial period in which the estimate is revised.

In particular, information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements are described below and in the respective notes to the financial statements.

## FINANCIAL STATEMENTS

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

#### 1 Statement of accounting policies, continued

##### Critical accounting estimates and judgements (continued)

##### *Put-option liability (Estimation)*

The company has an option to purchase the remaining 30% shareholding in Kerry Dairy Holdings (Ireland) Limited ("Kerry Dairy Ireland"), subject to the achievement of certain performance targets by Kerry Dairy Ireland. The directors have assessed the likelihood of the performance targets being met and have estimated the purchase price for the remaining shares to be €159.6m.

This estimate is based on the current and projected performance of Kerry Dairy Ireland. The valuation and performance of Kerry Dairy Ireland represent a key source of estimation uncertainty, as they are subject to factors such as market conditions, operational performance, and other external variables.

Any significant changes in these factors could impact the estimated purchase price and the timing of the option being exercised. The directors will continue to monitor the performance of Kerry Dairy Ireland and reassess the estimate as necessary.

##### *Business combinations (Estimation)*

When acquiring a business, the Group is required to bring acquired assets and liabilities on to the Consolidated Statement of Financial Position at their fair value, the determination of which requires a significant degree of estimation.

Acquisitions may also result in intangible benefits being brought into the Group, some of which qualify for recognition as intangible assets while other such benefits do not meet the recognition requirements of IFRS and therefore form part of goodwill. Estimation is required in the assessment and valuation of these intangible assets. For intangible assets acquired, the Group bases valuations on expected future cash flows taking into consideration the impact of climate related risk and macroeconomic conditions where applicable. This method employs a discounted cash flow analysis using the present value of the estimated after-tax cash flows expected to be generated from the purchased intangible asset using risk adjusted discount rates, revenue forecasts and estimated customer attrition as appropriate. The period of expected cash flows is based on the expected useful economic life of the intangible asset acquired.

Depending on the nature of the assets and liabilities acquired, determined provisional fair values may possibly be adjusted within the measurement period as allowed by IFRS 3 'Business Combinations'.

The useful economic lives of intangible assets are determined by management at the time the assets are acquired and reviewed annually for appropriateness, including assessment as finite or indefinite. These useful economic lives are based on historical experience with similar assets as well as anticipation of future events, such as changes in technology, the location of the asset and its climate related risk.

Accounting for the put and call option of the remaining 30% shareholding in Kerry Dairy Ireland requires judgement. The Society's call option is immediately exercisable and in management's judgement this gives the Society control of Kerry Dairy Ireland. The existence and effect of the immediately exercisable call option held by the Society means that the acquisition has been treated as the purchase of 100% of the business with the remaining 30% accounted for as a deferred payment on acquisition.

Intangible assets are disclosed in note 10 and business combinations in note 22 to the consolidated financial statements.

## FINANCIAL STATEMENTS

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

#### 1 Statement of accounting policies, continued

##### New standards and interpretations

Certain new and revised accounting standards and new International Financial Reporting Interpretations Committee ('IFRIC') interpretations have been issued. The Group intends to adopt the relevant new and revised standards when they become effective and endorsed by the EU. The Group's assessment of the impact of these standards and interpretations is set out below.

*The following Standards and Interpretations are effective for the Group in 2024 but do not have a material effect on the results or financial position of the Group:*

|                             |                                      | Effective Date |
|-----------------------------|--------------------------------------|----------------|
| IAS 1 (Amendments)          | Presentation of Financial Statements | 1 January 2024 |
| IFRS 16 (Amendments)        | Leases                               | 1 January 2024 |
| IAS 7 & IFRS 7 (Amendments) | Supplier Finance Arrangements        | 1 January 2024 |

*The following Standards and Interpretations are issued but not effective for the Group in 2024 but do not have a material effect on the results or financial position of the Group:*

|                              |   | Effective Date |
|------------------------------|---|----------------|
| IAS 21 (Amendments)          | The Effects of Changes in Foreign Exchange Rates        | 1 January 2025 |
| IFRS 7 & IFRS 9 (Amendments) | Classification and Measurement of Financial Instruments | 1 January 2026 |
| IFRS 18                      | Presentation and Disclosure in Financial Statements     | 1 January 2027 |
| IFRS 19                      | Subsidiaries without Public Accountability: Disclosures | 1 January 2027 |

## FINANCIAL STATEMENTS

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

#### 2 Investment Income

The whole of the Group's Investment Income is attributable to its market in the Republic of Ireland and is derived from the principal activity of the activities of a holding company. The Group's primary investment holding in 2024 was in respect of its shareholding in Kerry Group Plc.

|                   | 2024 | 2023 |
|-------------------|------|------|
|                   | €'m  | €'m  |
| Investment Income | 23.4 | 21.6 |

#### 3 Other gains/(losses)

Profit before taxation is stated after crediting/(charging):

|  | 2024  | 2023  |
|--|-------|-------|
|  | €'m   | €'m   |
| Fair value gains / (losses) on financial assets: | 253.2 | (0.6) |

*Fair value gains/ (losses) on financial assets:*

During the year, the group made a number of disposals in respect of its shareholding in Kerry Group Plc as follows:

- May 2024 disposal of 198,972 shares
- November 2024 disposal of 456,843 shares
- December 2024 disposal of 19,045,396 shares, being the entire remaining shareholdings in Kerry Group Plc

The above disposals resulted in a fair value gain on financial assets of €253.2m (2023: €0.6m loss) during the year.

#### 4 Operating expenses

Profit before taxation has been arrived at after charging:

|                   | 2024 | 2023 |
|-------------------|------|------|
|                   | €'m  | €'m  |
| Arbitration costs | 0.8  | 0.1  |
| Professional fees | 8.8  | 0.9  |
| Staff costs       | 1.1  | 1.0  |

## FINANCIAL STATEMENTS

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

#### 5 Audit fees

Group audit consists of fees payable for the consolidated and statutory audits of the Group and its subsidiaries. Included in Group audit are total fees of €0.5m (2023: €0.1m) which are due to the Group's auditor in respect of the Parent Society.

|             | 2024 | 2023 |
|-------------|------|------|
|             | €'m  | €'m  |
| Group audit | 0.5  | 0.1  |

#### 6 Total staff costs

The aggregate payroll costs of employees (including executive directors) was:

|                      | 2024 | 2023 |
|----------------------|------|------|
|                      | €'m  | €'m  |
| Administration staff | 0.4  | 0.4  |
| Directors            | 0.7  | 0.6  |
|                      | 1.1  | 1.0  |

Social welfare costs of €0.1m (2023: €0.1m) are included in payroll costs. Pension costs of €10k (€2023: €10k) included in payroll costs relate to defined contribution pension scheme.

#### 7 Share interest paid to shareholders

|                          | 2024 | 2023 |
|--------------------------|------|------|
|                          | €'m  | €'m  |
| 3,122,098 shares @ €5.00 | 15.6 | -    |
| 3,220,837 shares @ €4.50 | -    | 14.5 |
|                          | 15.6 | 14.5 |

## FINANCIAL STATEMENTS

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

#### 8 Taxation

##### Current tax

|   | 2024 | 2023 |
|---|------|------|
|   | €'m  | €'m  |
| Corporation tax on profits for the year | -    | -    |
| Adjustments in respect of prior periods | -    | -    |
| Total current tax                       | -    | -    |

|   | 2024   | 2023  |
|---|--------|-------|
|   | €'m    | €'m   |
| Profits on ordinary activity before taxation            | 264.3  | 17.7  |
| Taxed at Irish Standard Rate of Tax 12.5% (2023: 12.5%) | 33.0   | 2.2   |
| Income not subject to tax                               | (33.6) | (2.7) |
| Excess allowable expenses carried forward               | 0.6    | 0.5   |
| Total current tax                                       | -      | -     |

|  | 2024 | 2023 |
|--|------|------|
|  | €'m  | €'m  |
| Opening balance  | -    | -    |
| Business acquired  | 29.2 | -    |
| Balance at the end of the financial year                             | 29.2 | -    |
| <i>The deferred tax liability consists of the following amounts:</i> |      | 0.5  |
| Other timing differences relating to capital assets                  | 6.0  | -    |
| Fair value adjustments arising out of purchase price allocation      | 23.2 | -    |
| Deferred tax liability at the end of the financial year              | 29.2 | -    |

A deferred tax asset of €2.8m (2023: €2.2m) has not been recognised as there is uncertainty as to the timing of future taxable profits.

The Government of Ireland, the jurisdiction in which the Group is incorporated, transposed the Global Minimum Tax Pillar Two rules into domestic legislation as part of the Finance (No. 2) Act 2023 (the 'Finance Act'). The Irish legislation closely follows the EU Minimum Tax Directive and OECD Guidance released to date. The Pillar Two legislation took effect from 1 January 2024. In respect of the year ended 31 December 2024, there is no impact on the Society.

The Group will continue to monitor changes in law and guidance as they apply to the Group.

#### 9 Property, plant and equipment

|                               | Note | 2024  | 2023 |
|-------------------------------|------|-------|------|
|                               |      | €'m   | €'m  |
| Property, plant and equipment | (i)  | 230.5 | -    |
| Right-of-use assets           | (ii) | 3.7   | -    |
|                               |      | 234.2 | -    |

## FINANCIAL STATEMENTS

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

#### 9 Property, plant and equipment, continued

| (i) Property, plant and equipment analysis     | Land & Buildings | Plant, Machinery & Equipment | Motor Vehicles | Construction in Progress | Total        |
|--|------------------|------------------------------|----------------|--------------------------|--------------|
|  | €'m              | €'m                          | €'m            | €'m                      | €'m          |
| <b>Cost</b>                                    |                  |                              |                |                          |              |
| At 31 December 2023                            | -                | -                            | -              | -                        | -            |
| Business acquired                              | 104.5            | 116.4                        | 0.9            | 8.7                      | 230.5        |
| <b>At 31 December 2024</b>                     | <b>104.5</b>     | <b>116.4</b>                 | <b>0.9</b>     | <b>8.7</b>               | <b>230.5</b> |
| <b>Accumulated depreciation and impairment</b> |                  |                              |                |                          |              |
| At 31 December 2023                            | -                | -                            | -              | -                        | -            |
| Depreciation charge for the financial year     | -                | -                            | -              | -                        | -            |
| <b>At 31 December 2024</b>                     | <b>-</b>         | <b>-</b>                     | <b>-</b>       | <b>-</b>                 | <b>-</b>     |
| <b>Carrying value</b>                          |                  |                              |                |                          |              |
| At 31 December 2023                            | -                | -                            | -              | -                        | -            |
| <b>At 31 December 2024</b>                     | <b>104.5</b>     | <b>116.4</b>                 | <b>0.9</b>     | <b>8.7</b>               | <b>230.5</b> |

#### Freehold land and buildings

Freehold land of €6,098,824 which is not depreciated is included in land and buildings.

| (ii) Right-of-use assets analysis | Land and Building | Plant, Machinery & Equipment | Total      |
|-----------------------------------|-------------------|------------------------------|------------|
|                                   | €'m               | €'m                          | €'m        |
| <b>Cost and carrying value</b>    |                   |                              |            |
| At 31 December 2023               | -                 | -                            | -          |
| Business acquired                 | 2.3               | 1.4                          | 3.7        |
| <b>At 31 December 2024</b>        | <b>2.3</b>        | <b>1.4</b>                   | <b>3.7</b> |

The right-of-use assets consist of:

- buildings for warehouse and office space with a remaining lease term of between 2 and 6 years;
- machinery and other equipment which have an average remaining lease term of between 1 and 4 years.

| (iii) At the Statement of Financial Position date the Group had commitments under non-cancellable leases which fall due as follows: | Note | 2024       | 2023     |
|---|------|------------|----------|
|   |      | €'m        | €'m      |
| Within 1 year   | 14   | 1.2        | -        |
| Within 2 - 5 years  | 16   | 2.9        | -        |
|   |      | <b>4.1</b> | <b>-</b> |

## FINANCIAL STATEMENTS

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

#### 10 Intangible assets

|                            | Goodwill    | Brand Related Intangibles | Computer Software | Total        |
|----------------------------|-------------|---------------------------|-------------------|--------------|
|                            | €'m         | €'m                       | €'m               | €'m          |
| <b>Cost</b>                |             |                           |                   |              |
| At 31 December 2023        | -           | -                         | -                 | -            |
| Business acquired          | 31.8        | 198.3                     | 0.3               | 230.4        |
| <b>At 31 December 2024</b> | <b>31.8</b> | <b>198.3</b>              | <b>0.3</b>        | <b>230.4</b> |

Goodwill of €31.8m and brand related intangibles of €198.3m were recognised as a result of the Group acquiring Kerry Dairy Holdings (Ireland) Limited and its subsidiaries that form the Kerry Dairy Ireland Group.

#### 11 Financial asset investments

Financial asset investments comprise other investments in equity shares, in both quoted and unquoted companies and investments in subsidiaries.

| <b>Quoted shares at market value:</b>          | 2024       | 2023           |
|--|------------|----------------|
|  | €'m        | €'m            |
| <b>At 1 January</b>                            | 1,549.7    | 1,692.2        |
| Fair value gains/ (losses) on financial assets | 253.2      | (141.7)        |
| Disposals                                      | (1,802.9)  | (0.8)          |
|  | -          | 1,549.7        |
| <b>Unquoted investments at cost</b>            |            |                |
| <b>At 1 January</b>                            | 1.2        | 1.2            |
| Business acquired                              | 0.3        | -              |
|  | <b>1.5</b> | <b>1.2</b>     |
| <b>At 31 December</b>                          | <b>1.5</b> | <b>1,550.9</b> |

#### Equity shares at market value:

Included in quoted shares at market value is the Group's holding in Kerry Group Plc. At the beginning of the financial year the Society held 11.08% of the ordinary share capital of the Kerry Group Plc. The investment was carried at its fair value of €1,549.7m at that date.

During the year, the group made a number of disposals in respect of its shareholdings in Kerry Group Plc as follows:

- May 2024 disposal of 198,972 shares
- November 2024 disposal of 456,843 shares
- December 2024 disposal of 19,045,396 shares, being the entire remaining shareholding in Kerry Group Plc

#### Equity shares at cost include:

- Kerry Airport • FBD Holdings • Listowel Races Development Society Ltd • Kingdom Co-Op Mart
- Kenmare Livestock Mart Co-Operative Society Ltd • Golden Vale Marts • Cilcoone Ltd (Cork Racecourse)
- Western Forestry Co-Op Ltd

## FINANCIAL STATEMENTS

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

#### 12 Inventories

|                                     | 2024         | 2023 |
|-------------------------------------|--------------|------|
|                                     | €'m          | €'m  |
| Raw materials and consumables       | 23.5         | -    |
| Finished goods and goods for resale | 81.4         | -    |
| Expense inventories                 | 10.7         | -    |
|                                     | <b>115.6</b> | -    |

These inventory balances are valued at the lower of cost and net realisable value. There was no write-downs of inventories recognised as an expense in the Consolidated Statement of Profit & Loss. The replacement costs of inventories does not differ materially from the amounts stated above. No inventories were pledged as security for liabilities during the financial year.

#### 13 Trade and other receivables

| <i>Amounts falling due within one year:</i> | 2024         | 2023 |
|---|--------------|------|
|   | €'m          | €'m  |
| Trade receivables                           | 273.4        | -    |
| Other receivables                           | 16.0         | 0.8  |
| VAT receivable                              | 10.7         | -    |
| Corporation tax                             | 0.4          | -    |
|   | <b>300.5</b> | 0.8  |

Trade and other receivables are stated at amortised cost.

Amounts due from Group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

\* Included in trade receivables of €273.4m is a trading balance of €21.9m relating to Kerry Group Plc (a related party) - see note 23 for further details.

All receivable balances are due within 1 year and are within terms with the exception of certain trade receivables which are past due and are detailed below.

The following table shows an analysis of trade receivables split between past due and within terms accounts, where past due is deemed to be when an account exceeds the agreed terms of trade:

## FINANCIAL STATEMENTS

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

#### 13 Trade and other receivables, continued

|  | 2024         | 2023 |
|--|--------------|------|
|  | €'m          | €'m  |
| Within terms                                       | 248.0        | -    |
| Past due not more than 1 month                     | 15.5         | -    |
| Past due more than 1 month but less than 2 months  | 4.7          | -    |
| Past due more than 2 months but less than 3 months | 0.9          | -    |
| Past due more than 3 months                        | 4.3          | -    |
| <b>Trade receivables (net)</b>                     | <b>273.4</b> | -    |

Trade and other receivables are stated at amortised cost less loss allowances. The fair value of these receivables approximates their carrying value as these are short-term in nature; hence, the maximum exposure to credit risk at the reporting date is the carrying value of each class of receivable.

The Group applies the IFRS 9 'Financial Instruments' simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due. The expected loss rates are based on the payment profiles of sales and the corresponding historical credit loss experience. The historical loss rates are adjusted to reflect current and forward looking information on macroeconomic factors, including the GDP of the countries in which the Group sells its goods and services, that affect the ability of customers to settle receivables.

Before accepting any new customer, the Group uses a credit scoring system to assess the potential customer's credit quality and defines credit limits by customer. These credit limits are reviewed regularly throughout the financial year. The Group does not typically require collateral in respect of trade receivables.

There is no significant concentration of credit risk or transaction currency risk with respect to trade receivables, as the Group has a large number of internationally dispersed customers.

The Group considers the following as constituting an event of default for internal credit risk management purposes as historical experience indicates that financial assets that meet either of the following criteria are generally not recoverable:

- when there is a breach of financial covenants by the debtor;
- information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full.

The Group writes off a trade receivable when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, for example when a debtor has been placed under liquidation or has entered into bankruptcy proceedings.

## FINANCIAL STATEMENTS

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

#### 14 Trade and other payables

| Amounts falling due within one year: | 2024<br>€'m  | 2023<br>€'m |
|--------------------------------------|--------------|-------------|
| Trade payables                       | 225.1        | -           |
| Accruals                             | 86.3         | 3.3         |
| Lease liabilities                    | 1.2          | -           |
| Other payables                       | 0.9          | -           |
|                                      | <b>313.5</b> | <b>3.3</b>  |

Trade and other payables are stated at amortised cost, which approximates to fair value given the short-term nature of these liabilities. The above balances are all due within 1 year.

\* Included in trade payables of €225.1m is a trading balance of €9.6m relating to Kerry Group Plc (a related party) - see note 23 for further details

Where trade creditors are settled via electronic cash transfer, they are derecognised when the group has no ability to withdraw, stop or cancel the payment, has lost the practical ability to access the cash as a result of the electronic payment instruction, and the risk of a settlement not occurring is insignificant.

Accruals include a number of expenses in relation to the acquisition of Kerry Dairy Ireland that were not billed during the year. There were no creditors with amounts falling due over one year.

#### 15 Deferred income

|                                     | Note | 2024<br>€'m | 2023<br>€'m |
|-------------------------------------|------|-------------|-------------|
| At 1 January                        |      | -           | -           |
| Business acquired                   | 22   | 7.7         | -           |
| <b>At end of the financial year</b> |      | <b>7.7</b>  | <b>-</b>    |
| Analysed as:                        |      |             |             |
| Current liabilities                 |      | 0.6         |             |
| Non-current liabilities             |      | 7.1         |             |
|                                     |      | <b>7.7</b>  |             |

There are no material unfulfilled conditions or other contingencies attaching to any government grants. All deferred income relates to government grants.

#### 16 Other non-current financial liabilities

| Amounts falling due within one year: | Note | 2024<br>€'m  | 2023<br>€'m |
|--------------------------------------|------|--------------|-------------|
| Lease liabilities                    | 9    | 2.9          | -           |
| Deferred payment on acquisition      | 22   | 159.6        | -           |
| Borrowings – related party           |      | 124.0        | -           |
|                                      |      | <b>286.5</b> | <b>-</b>    |

Borrowings – related party represent amounts owed to Kerry Group Plc at year end.

## FINANCIAL STATEMENTS

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

#### 17 Analysis of financial instruments by category

The following table outlines the financial assets and liabilities held by the Group at the Statement of Financial Position date:

|   | Notes   | Financial Assets/<br>(Liabilities) at<br>Amortised Cost<br>2024<br>€'m | Assets/<br>(Liabilities) at<br>Fair Value through<br>Profit or Loss<br>2024<br>€'m | Derivatives<br>Designated<br>as Hedging<br>Instruments<br>2024<br>€'m | Assets/<br>(Liabilities)<br>at FVOCI<br>2024<br>€'m | Total<br>2024<br>€'m |
|---|---------|--|--|---|---|----------------------|
| Financial asset investments             | 11      | -  | -  | -   | 1.5   | 1.5                  |
| Trade and other receivables             |         | 300.5  | -  | -   | -   | 300.5                |
| Cash at bank in hand                    |         | 31.7   | -  | -   | -   | 31.7                 |
| <b>Total financial assets</b>           |         | <b>332.2</b>   | <b>-</b>   | <b>-</b>  | <b>1.5</b>  | <b>333.7</b>         |
| Derivative financial instrument         | 18 (ii) | -  | -  | (0.8)   | -   | (0.8)                |
| Trade and other payables                | 14      | (313.5)  | -  | -   | -   | (313.5)              |
| Other non-current financial liabilities | 16      | (286.5)  | -  | -   | -   | (286.5)              |
| <b>Total financial liabilities</b>      |         | <b>(600.0)</b>   | <b>-</b>   | <b>(0.8)</b>  | <b>-</b>  | <b>(600.8)</b>       |
| <b>Total net financial liabilities</b>  |         | <b>(267.8)</b>   | <b>-</b>   | <b>(0.8)</b>  | <b>1.5</b>  | <b>(267.1)</b>       |

|   | Notes | Financial Assets/<br>(Liabilities) at<br>Amortised Cost<br>2023<br>€'m | Assets/<br>(Liabilities) at<br>Fair Value through<br>Profit or Loss<br>2023<br>€'m | Derivatives<br>Designated<br>as Hedging<br>Instruments<br>2023<br>€'m | Assets/<br>(Liabilities)<br>at FVOCI<br>2023<br>€'m | Total<br>2023<br>€'m |
|---|-------|--|--|---|---|----------------------|
| Financial asset investments             | 11    | -  | 1,549.7  | -   | 1.2   | 1,550.9              |
| Trade and other receivables             | 13    | 0.8  | -  | -   | -   | 0.8                  |
| Cash at bank in hand                    |       | 19.8   | -  | -   | -   | 19.8                 |
| <b>Total financial assets</b>           |       | <b>20.6</b>  | <b>1,549.7</b>   | <b>-</b>  | <b>1.2</b>  | <b>1,571.5</b>       |
| Derivative financial instrument         |       | -  | -  | -   | -   | -                    |
| Trade and other payables                | 14    | (3.3)  | -  | -   | -   | (3.3)                |
| Other non-current financial liabilities | 16    | -  | -  | -   | -   | -                    |
| <b>Total financial liabilities</b>      |       | <b>(3.3)</b>   | <b>-</b>   | <b>-</b>  | <b>-</b>  | <b>(3.3)</b>         |
| <b>Total financial assets</b>           |       | <b>17.3</b>  | <b>1,549.7</b>   | <b>-</b>  | <b>1.2</b>  | <b>1,568.2</b>       |

## FINANCIAL STATEMENTS

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

#### 18 Financial Instruments

##### Capital management

The financing structure of the Group is managed in order to optimise shareholder value while allowing the Group to take advantage of opportunities that arise to grow the business.

The capital structure of the Group consists of lease liabilities, cash and cash equivalents, borrowings, deferred payments on acquisitions of businesses and equity attributable to equity holders of the parent, comprising issued capital, reserves and retained earnings. These items are disclosed in the Consolidated Statement of Changes in Equity, as represented in the table below:

|   | 2024  | 2023    |
|---|-------|---------|
|   | €'m   | €'m     |
| Equity attributable to equity holders of the parent | 277.6 | 1,568.2 |
| Lease liabilities                                   | 4.1   | -       |
| Deferred payments on acquisition of business        | 159.6 | -       |
| Borrowings – related party                          | 124.0 | -       |
|   | 565.3 | 1,568.2 |

Capital is managed by setting net debt to earnings before finance income and costs, income taxes, depreciation (net), intangible asset amortisation and non-trading items (EBITDA) targets.

##### Financial risk management objectives

The Group has a clearly defined Financial Risk Management Programme, which is approved by the Board of Directors and is subject to regular monitoring. The Group operates a centralised treasury function, which manages the principal financial risks of the Group.

The principal objectives of the Group's Financial Risk Management Programme are:

- to manage the Group's exposure to foreign exchange rate risk;
- to ensure that the Group has sufficient credit facilities available to fund the Group and manage liquidity risk; and
- to ensure that counterparty credit risk is monitored and managed.

The principal objectives of the Group's Financial Risk Management Programme are further discussed across the following categories:

(i) Foreign exchange rate risk management

(ii) Derivative financial instruments - forward foreign exchange contracts

(iii) Liquidity risk management - key banking facilities available to the Group and the maturity profile of the Group's debt.

(iv) Credit risk management - details in relation to the management of credit risk within the Group.

(v) Fair value of financial instruments - disclosures in relation to the fair value of financial instruments.

(vi) Offsetting financial instruments - disclosures in relation to the potential offsetting values in financial instruments.

## FINANCIAL STATEMENTS

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

#### 18 Financial Instruments, continued

##### Financial risk management objectives, continued

###### (i) Foreign exchange rate risk management

The Group is exposed to transactional foreign currency risk on trading activities conducted by subsidiaries in currencies other than their functional currency. Group policy is to manage foreign currency exposures commercially and through netting of exposures wherever possible. Any residual exposures arising on foreign exchange transactions are hedged in accordance with Group policy using approved financial instruments, which consist primarily of spot and forward exchange contracts.

The Group's gain or loss on the retranslation of the net assets of foreign currency subsidiaries is taken directly to the translation reserve.

The Group's activities expose it to risks of changes in foreign currency exchange rates in relation to international trading, primarily sales in US dollar and sterling out of the Eurozone. The Group uses forward foreign exchange contracts to hedge these exposures. All such exposures are highly probable. Derivative financial instruments are held in the Consolidated Balance Sheet at their fair value.

Further details on the forward foreign exchange contracts are included within derivative financial instruments (section ii).

###### (ii) Derivative financial instruments - forward foreign exchange contracts

The following table details the portfolio of derivative financial instruments at the Statement of Financial Position date:

|   | 2024  | 2024      | 2024  | 2023  | 2023      | 2023  |
|---|-------|-----------|-------|-------|-----------|-------|
|   | Asset | Liability | Total | Asset | Liability | Total |
|   | €'m   | €'m       | €'m   | €'m   | €'m       | €'m   |
| <b>Forward foreign exchange contracts</b>     |       |           |       |       |           |       |
| Current                                       | -     | (0.8)     | (0.8) | -     | -         | -     |
| <b>Total derivative financial instruments</b> |       |           |       |       |           |       |
| <b>Current</b>                                | -     | (0.8)     | (0.8) |       |           |       |

The following table details the impact of the portfolio of derivative financial instruments on the Consolidated Statement of Financial Position as at 31 December:

|                                  | Forward Foreign Exchange<br>Contracts - Cash Flows Hedges | Forward Foreign Exchange<br>Contracts - Cash Flows Hedges |
|----------------------------------|---|---|
|                                  | 2024  | 2023  |
|                                  | €'m   | €'m   |
| Derivative financial instruments | (0.8)   | -   |

## FINANCIAL STATEMENTS

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

#### 18 Financial Instruments, continued

##### Financial risk management objectives, continued

##### (ii) Derivative financial instruments - forward foreign exchange contracts (continued)

The following table details the foreign exchange contracts classified as cash flow hedges at 31 December:

|   | Fair Value Liability |      |
|---|----------------------|------|
|   | 2024                 | 2023 |
|   | €'m                  | €'m  |
| Forward foreign exchange contracts less than 1 year | (0.8)                | -    |

The Group adopted the hedge accounting requirements of IFRS 9 'Financial Instruments'. The Group enters into hedge relationships when there is an economic relationship between the underlying highly probable forecasted transactions (hedged item) and the forward foreign exchange contracts (hedged instruments).

There were no transactions during 2024 or 2023 which were designated as hedges that did not occur, nor are there hedges on forecast transactions that are no longer expected to occur.

The fair value included in the hedging reserve will primarily be released to the Consolidated Income Statement within 6 months of the Statement of Financial Position date. All forward contracts relate to sales revenue and purchases made in their respective currencies and forward foreign exchange contracts that provide a hedge against foreign currency receivables from 'within Group' lending.

The Group does not hold any forward foreign exchange contracts classified as fair value hedges.

##### (iii) Liquidity risk management - key banking facilities available to the Group and the maturity profile of the Group's debt.

Liquidity risk considers the risk that the Group could encounter difficulties in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. There is no significant concentration of liquidity risk.

Group funding and liquidity is managed by ensuring that sufficient facilities are available from diverse funding sources with an appropriate spread of debt maturities. The Group uses cash flow forecasts to constantly monitor the funding requirements of the Group.

All Group credit facilities are arranged and managed by Group Treasury and approved by the Board of Directors. Where possible, facilities have common terms and conditions.

##### (iii) Liquidity risk management - key banking facilities available to the Group and the maturity profile of the Group's debt.

## FINANCIAL STATEMENTS

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

#### 18 Financial Instruments, continued

##### Financial risk management objectives, continued

##### (iii.i) Contractual maturity profile of non-derivative financial instruments

The following table details the Group's remaining contractual maturity of its non-derivative financial instruments, including lease liabilities and deferred payments on acquisitions of businesses, excluding the remaining trade and other payables (note 14) and other non-current liabilities (note 15). This information has been drawn up based on the undiscounted cash flows of financial liabilities to the earliest date on which the Group can be required to repay.

|  | Notes | On demand &<br>Up to 1 year | up to 2<br>years | 2 - 5<br>years | > 5 years    | Total        |
|--|-------|-----------------------------|------------------|----------------|--------------|--------------|
|  |       | €'m                         | €'m              | €'m            | €'m          | €'m          |
| 31 December 2024                             |       |                             |                  |                |              |              |
| Borrowings - related party                   |       | 124.0                       | -                | -              | -            | 124.0        |
| Lease liabilities                            | 14/16 | (1.2)                       | (2.9)            | -              | -            | (4.1)        |
| Deferred payments on acquisition of business | 16    | -                           | -                | (159.6)        | -            | (159.6)      |
| Trade and other payables                     | 14    | (312.3)                     | -                | -              | -            | (312.3)      |
| <b>At 31 December 2024</b>                   |       | <b>(437.5)</b>              | <b>(2.9)</b>     | <b>(159.6)</b> | <b>124.1</b> | <b>(600)</b> |
| 31 December 2023                             |       |                             |                  |                |              |              |
| Bank loans                                   |       | -                           | -                | -              | -            | -            |
| Lease liabilities                            | 14/16 | -                           | -                | -              | -            | -            |
| Deferred payments on acquisition of business | 16    | -                           | -                | -              | -            | -            |
| Trade and other payables                     | 14    | (3.3)                       | -                | -              | -            | (3.3)        |
| <b>At 31 December 2023</b>                   |       | <b>(3.3)</b>                | <b>-</b>         | <b>-</b>       | <b>-</b>     | <b>(3.3)</b> |

##### (iii.ii) Contractual maturity profile of derivative financial instruments

The following table details the Group's remaining contractual maturity of its derivative financial instruments. The table has been drawn up based on the undiscounted net cash inflows and outflows on derivative instruments that settle on a net basis. To the extent that the amounts payable or receivable are not fixed, the rate used is derived from interest rate yield curves at the end of the reporting date and as such are subject to change based on market movements.

|   | Notes | On demand &<br>Up to 1 year | up to 2<br>years | 2 - 5<br>years | > 5 years | Total |
|---|-------|-----------------------------|------------------|----------------|-----------|-------|
|   |       | €'m                         | €'m              | €'m            | €'m       | €'m   |
| Forward foreign exchange contracts inflow |       | (0.8)                       | -                | -              | -         | (0.8) |
|   |       | (0.8)                       | -                | -              | -         | (0.8) |

## FINANCIAL STATEMENTS

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

#### 18 Financial Instruments, continued

Financial risk management objectives, continued

##### (iii.iii) Summary of borrowing arrangements

###### (a) Bank loans

Bank loans comprise committed term loan facilities, committed revolving credit facilities, bilateral term loans and other uncommitted facilities:

- demand facilities
- committed revolving credit facilities of €125m to January 2029.

###### (b) Lease liabilities

The Group's lease liabilities are set out in note 9 (iii).(i)

##### (iv) Credit risk management - details in relation to the management of credit risk within the Group.

|                             | 2024  | 2023 |
|-----------------------------|-------|------|
|                             | €'m   | €'m  |
| Cash at bank and in hand    | 31.7  | 19.8 |
| Trade and other receivables | 300.5 | 0.8  |

##### (a) Cash deposits and other financial assets give rise to credit risk on the amounts due from counterparties.

The Group controls and monitors the distribution of this exposure by ensuring that all financial instruments are held with reputable and financially secure institutions and that exposure to credit risk is distributed across a number of institutions. At 31 December 2024 and 2023, all cash, short-term deposits and other liquid investments had a maturity of less than 3 months. Cash at bank and in hand of €31.7m (2023: €19.8m) includes an amount of €31.7m (2023: €19.8m) on short term deposit.

##### (b) Trade receivables

Trade receivables consist of a large number of customers, spread across diverse geographical areas. Ongoing credit evaluation is performed on the financial condition of accounts receivable at operating unit level at least on a monthly basis

## FINANCIAL STATEMENTS

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

#### 18 Financial Instruments, continued

Financial risk management objectives, continued

##### (v) Fair value of financial instruments

###### (a) Fair value of financial instruments carried at fair value

Financial instruments recognised at fair value are analysed between those based on:

- quoted prices in active markets for identical assets or liabilities (Level 1);
- those involving inputs other than quoted prices included in Level 1 that are observable for the assets or liabilities, either directly (as prices) or indirectly (derived from prices) (Level 2); and
- those involving inputs for the assets or liabilities that are not based on observable market data (unobservable inputs) (Level 3).

|  |   |                      | 2024                 | 2023                 |
|--|---|----------------------|----------------------|----------------------|
|  |   | Fair Value Hierarchy | Asset/ (liabilities) | Asset/ (liabilities) |
|  |   |                      | €'m                  | €'m                  |
| Forward foreign exchange contracts           | Current                                       | Level 2              | (0.8)                | -                    |
| Financial asset investments                  | Fair value through profit or loss             | Level 1              | -                    | 1,549.7              |
|  | Fair value through other comprehensive income | Level 1              | 1.5                  | 1.2                  |
| Deferred payments on acquisition of business | Non-current                                   | Level 3              | (159.6)              | -                    |

The reconciliation of Level 1 financial asset investments is provided in note 11.

Deferred contingent consideration is included in Level 3 of the fair value hierarchy, details of the movement in the year are included in note 22. The fair value is determined considering the expected payment, discounted to present value using a risk adjusted discount rate. The expected payment is determined separately in respect of each individual earnout agreement taking into consideration the expected level of profitability of each acquisition.

##### (b) Fair value of financial instruments carried at amortised cost

It is considered that the carrying amounts of financial assets and financial liabilities recognised at amortised cost in the financial statements approximate their fair values.

##### (c) Valuation principles

The fair value of financial assets and liabilities are determined as follows:

- assets and liabilities with standard terms and conditions which are traded on active liquid markets are determined with reference to quoted market prices. This includes equity investments;
- other financial assets and liabilities (excluding derivatives) are determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices from observable current market transactions and dealer quotes for similar instruments. This includes forward foreign exchange contracts which are determined by discounting the estimated future cash flows;
- the fair values of financial instruments that are not based on observable market data (unobservable inputs) requires entity specific valuation techniques; and
- forward foreign exchange contracts are measured using quoted forward exchange rates and yield curves derived from quoted interest rates adjusted for counterparty credit risk, which is calculated based on credit default swaps of the respective counterparties.

## FINANCIAL STATEMENTS

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

#### 18 Financial Instruments, continued

Financial risk management objectives, continued

##### (vi) Offsetting financial instruments

The Group enters into derivative transactions under International Swaps and Derivatives Association (ISDA) master netting agreements. The ISDA agreements do not meet the criteria for offsetting in the Consolidated Balance Sheet. This is because the Group does not have any current legally enforceable right to offset recognised amounts, because the right to offset is enforceable only on the occurrence of future events such as a default on the bank loans or other credit events. No collateral is paid or received.

The following table sets out the carrying amounts of recognised financial instruments that are subject to the above agreements.

|                                  | Gross Amounts | Gross amounts offset in the Statement of Financial Position | Amounts of financial instruments presented in the Statement of Financial Position | Related financial instruments that are not offset | Net Amount |
|----------------------------------|---------------|---|---|---|------------|
|                                  | €'m           | €'m   | €'m   | €'m   | €'m        |
| At 31 December 2024              |               |   |   |   |            |
| <b>Financial assets</b>          |               |   |   |   |            |
| Cash at bank and in hand         | 31.7          | -   | 31.7  | -   | 31.7       |
|                                  | 31.7          | -   | 31.7  | -   | 31.7       |
| <b>Financial liabilities</b>     |               |   |   |   |            |
| Derivative financial instruments | 0.8           | -   | 0.8   | -   | 0.8        |
|                                  | 0.8           | -   | 0.8   | -   | 0.8        |
| At 31 December 2023              |               |   |   |   |            |
| <b>Financial assets</b>          |               |   |   |   |            |
| Cash at bank and in hand         | 19.8          | -   | 19.8  | -   | 19.8       |
|                                  | 19.8          | -   | 19.8  | -   | 19.8       |
| <b>Financial liabilities</b>     |               |   |   |   |            |
| Derivative financial instruments | -             | -   | -   | -   | -          |
|                                  | -             | -   | -   | -   | -          |

## FINANCIAL STATEMENTS

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

#### 19 Called-up share capital

|  | 2024 | 2023 |
|--|------|------|
|  | €'m  | €'m  |
| Called up share capital fully paid                                 |      |      |
| A' Ordinary shares of €0.125 (2023: €1.25 per 'A' Ordinary shares) | 0.1  | 1.3  |
| B' Ordinary shares of €0.125 (2023: €1.25 per 'B' Ordinary shares) | 0.2  | 1.1  |
| C' Ordinary shares of €0.125 (2023: €1.25 per 'C' Ordinary shares) | 0.3  | 1.5  |
|  | 0.6  | 3.9  |

At the beginning of the financial year the issued share capital of the Group had a value of €1.25 per share. During the year the Society executed two share redemptions with members under the share redemption scheme, with the redemption amount being €57.5m.

The Acquisition of Kerry Dairy Holdings (Ireland) Limited was preceded by a share-for-share exchange, whereby Kerry Group Plc acquired 85% of the shares in Kerry Co-operative Creameries Limited from its members in exchange for newly issued Kerry Group Plc shares. This resulted in Kerry Co-operative Creameries Limited members holding approximately 9.7% of Kerry Group Plc directly. Following this, Kerry Group Plc redeemed its entire shareholding in Kerry Co-operative Creameries Limited in exchange for a promissory note of €1.745 billion. Kerry Co-operative Creameries Limited subsequently redeemed Kerry Group Plc's shareholding in Kerry Co-operative Creameries Limited, issuing a promissory note of €1.483 billion. These promissory notes were subsequently set off against each other, leaving a residual balance of €262 million on the Kerry Group Plc promissory note. Refer to Note 22 for further details on the Share redemption.

To facilitate the above and to allow for fractional shares the share price was subdivided by 10 during the year arriving at a closing value of 12.5 cent per share on 31 December 2024.

Transfers of shares by members can lead to shares being categorized differently to that of the original holder, as the share categories are dependent on the eligibility of the shareholders under the rules of the Co-operative Society to hold such shares.

##### Analysis of movement in share capital during the financial year:

|                            | Called-up Share Capital €'m | 'A' Ordinary Shares | 'B' Ordinary Shares | 'C' Ordinary Shares | Total      |
|----------------------------|-----------------------------|---------------------|---------------------|---------------------|------------|
| At 1 January 2024          | 3.9                         | 1.0                 | 1.0                 | 1.2                 | 3.2        |
| Subdivision by 10          | -                           | 6.8                 | 9.7                 | 13.9                | 30.4       |
| Share redemptions          | (3.3)                       | (5.8)               | (8.2)               | (11.8)              | (25.8)     |
| <b>At 31 December 2024</b> | <b>0.6</b>                  | <b>1.0</b>          | <b>1.5</b>          | <b>2.1</b>          | <b>4.6</b> |

## FINANCIAL STATEMENTS

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

#### 20 Contingent liabilities

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the obligation at the reporting date.

At the reporting date, the Group has no provisions recognised in the financial statements. The directors have reviewed the Group's obligations and confirm that there are no present obligations (legal or constructive) arising from past events that would require recognition of a provision under IFRS.

#### 21 Other financial commitments

Commitments for the acquisition of property, plant, equipment and computer software at 31 December for which no provision has been made in the financial statements are as follows:

|  | 2024 | 2023 |
|--|------|------|
|  | €'m  | €'m  |
| Commitments in respect of contracts placed | 6.8  | -    |

#### 22 Business Combinations

| Acquisition         | Type   | Percentage acquired | Completion date  | Principal activity   |
|---------------------|--------|---------------------|------------------|--|
| Kerry Dairy Ireland | Equity | 70%                 | 31 December 2024 | A leading Irish provider of value-add dairy ingredients and consumer products. |

On 12 November 2024, the Society announced that it had entered into an agreement with Kerry Group Plc ('Kerry') in relation to the acquisition of Kerry's shareholding in Kerry Dairy Holdings (Ireland) Limited ('Kerry Dairy Ireland') for a total expected consideration of €500 million. Consideration is subject to adjustments for customary completion accounts adjustments in respect of cash, debt and working capital and a potential valuation adjustment should Kerry Dairy Ireland not achieve adjusted EBITDA targets from 2022 to 2025. Preliminary completion adjustments have been processed through the Phase 1 vendor loan payable. To the extent any further adjustments should arise, the Group does not expect these to be material. The undiscounted range of outcomes associated with the completion accounts adjustments has a floor of €nil. Payments above the floor vary based on a range of conditional performance metrics, for example future EBITDA performance.

## FINANCIAL STATEMENTS

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

#### 22 Business Combinations, continued

The sale comprises two stages:

**1. Phase 1**, wherein the Society acquired a 70% shareholding in Kerry Dairy Ireland, with Kerry retaining a 30% shareholding. Phase 1 consideration comprises redemption of a portion of the Society's shareholding in Kerry Group Plc; cash receivable; and a vendor loan payable. Kerry will be entitled to a fixed dividend of €7.5 million per annum during the period of the joint ownership.

Prior to this transaction, the Society held approximately 11% of the issued share capital of Kerry Group Plc.

- **Share for Share exchange:** A share for share exchange whereby Kerry acquired approximately 85% of the shares in the Society that were held by its members, in exchange for issuing an amount of Kerry Group Plc shares directly to the members of the Society, equal in value to approximately 85% of the Kerry Group Plc shares previously held by the Society;

- **Redemptions:** (a) The redemption by Kerry of the Society's entire shareholding in Kerry Group Plc (19,045,396 shares), in exchange for a promissory note of €1.745 billion, and (b) the redemption by the Society of the Society shares held by Kerry (as acquired in the share for share exchange above) in exchange for a promissory note of €1.483 billion ;

- **Promissory note set off:** The amounts outstanding under each promissory note are offset against each other, which results in a promissory note balance in favour of the Society equal to approximately 15% of the market value of the Society's original 11% shareholding in Kerry Group Plc and which was used by the Society to fund part of the Phase 1 consideration. Pursuant to this share exchange, the Society ceased to be a shareholder of Kerry Group Plc and members of the Society instead hold shares in Kerry Group Plc directly. The portion of the consideration attributable to the share redemption was €261.9m based on a volume-weighted average share price of €91.63.

**2. Phase 2**, wherein Kerry and the Society have agreed to a put-call arrangement that will transfer the remaining 30% shareholding in Kerry Dairy Ireland to the Society. At any time on or prior to 31 July 2035, the Society will have the right to purchase the remaining 30% shareholding in Kerry Dairy Ireland in exchange for cash in an amount of €150 million (the 'Call Option'). In the event that the Society does not exercise the Call Option before 31 July 2030, Kerry will have the right at any time after 31 July 2030 and on or prior to 31 July 2035, to require the Society to purchase the entire 30% shareholding in Kerry Dairy Ireland for a consideration of €150 million (the 'Put Option'). The Phase 2 consideration of €150m is subject to certain adjustment mechanisms as outlined above. To the extent any such adjustments should arise, the Society does not expect these to be material.

The agreement for the acquisition of Kerry Dairy Ireland was approved by Society members and by Kerry's shareholders on 16 December 2024 and 19 December 2024, respectively. Pursuant to respective shareholder approval, Phase 1 of the acquisition of Kerry Dairy Ireland, completed on 31 December 2024.

Accounting for the put and call option of the remaining 30% shareholding in Kerry Dairy Ireland requires judgement. The Society's call option is immediately exercisable and in management's judgement this gives the Society control of Kerry Dairy Ireland. The existence and effect of the immediately exercisable call option held by the Society means that the acquisition has been treated as the purchase of 100% of the business with the remaining 30% accounted for as a deferred payment on acquisition (refer to note 16).

## FINANCIAL STATEMENTS

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

#### 22 Business Combinations, continued

The table below provides details of the identifiable net assets, including adjustments to provisional fair values, in respect of the acquisition completed during the year to 31 December 2024:

|   | 2024         |
|---|--------------|
|   | €'m          |
| <b>Recognised amounts of identifiable assets acquired and liabilities assumed:</b>  |              |
| <i>Non-current assets</i>   |              |
| Property, plant and equipment   | 234.2        |
| Brand related intangibles & other intangibles   | 198.6        |
| Other financial assets  | 0.3          |
| <i>Current assets</i>   |              |
| Cash at bank and in hand  | 10.3         |
| Inventories   | 115.6        |
| Trade and other receivables   | 298.6        |
| <i>Current liabilities</i>  |              |
| Trade and other payables  | (303.2)      |
| Other current financial instruments   | (0.9)        |
| Deferred income   | (0.6)        |
| <i>Non-current liabilities</i>  |              |
| Deferred tax liabilities  | (29.2)       |
| Other non-current financial liabilities   | (3.0)        |
| Deferred income   | (7.1)        |
| <b>Total identifiable assets</b>  | <b>513.7</b> |
| Goodwill  | 31.9         |
| <b>Total consideration</b>  | <b>545.5</b> |
| <b>Satisfied by:</b>  |              |
| Share redemption consideration  | 261.9        |
| Consideration receivable*   | 124.0        |
| Deferred consideration  | 159.6        |
|   | 545.5        |
| * Relates to consideration payable (to be settled in cash) and vendor loan payable on closing to Kerry Group Plc which was partially settled on 8 January 2025. |              |
| <b>Net cash outflow on acquisition:</b>   |              |
|   | 2024         |
|   | €'m          |
| Cash  | -            |
| Less: cash and cash equivalents acquired  | (10.3)       |
|   | (10.3)       |

## FINANCIAL STATEMENTS

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

#### 22 Business Combinations, continued

The acquisition method of accounting has been used to consolidate the business acquired in the Group's Consolidated Financial Statements. The Group performs quantitative and qualitative assessments of each acquisition in order to determine whether it is material for the purposes of separate disclosure under IFRS 3 'Business Combinations'. The acquisition completed during the year was considered material to warrant separate disclosure under these assessments.

The goodwill is attributable to the expected profitability, revenue growth, future market development and assembled workforce of the acquired business and the synergies expected to arise within the Group after the acquisition. The goodwill recognised is expected to be deductible for income tax purposes.

Transaction expenses related to this acquisition in the current year of €8.3m were borne by Kerry Co-Op Creameries Limited which is included in Operating expenses. The fair value of the financial assets includes trade and other receivables with a fair value of €273.4m and a gross contractual value of €276.0m. The Group estimates €2.6m to be uncollectible as of the acquisition date.

The revenue and profit after taxation attributable to owners of the parent to the Group contributed from date of acquisition for all business combinations effected during the year is as follows:

|  | 2024 |
|--|------|
|  | €'m  |
| Revenue  | -    |
| Profit after taxation attributable to equity holders of the parent | -    |

The revenue and profit after taxation attributable to equity holders of the parent to the Group determined in accordance with IFRS as though the acquisition date for all business combinations effected during the financial year had been the beginning of that financial year would be as follows:

|                       | 2024 acquisitions<br>Unaudited<br>€'m | Kerry Co-Op Creameries<br>Limited excluding 2024<br>acquisitions Unaudited<br>€'m | Consolidated Group<br>including acquisitions<br>Unaudited<br>€'m |
|-----------------------|---------------------------------------|---|--|
| Revenue               | 1,051.5                               | -   | 1,051.5  |
| Profit after taxation | 61.0                                  | 265.7   | 326.7  |

## FINANCIAL STATEMENTS

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

#### 23 Related Party Transactions

##### (i) Directors' and secretary's interests

In the ordinary course of business, the directors of Kerry Co-operative Creameries Limited received returns of €0.1m (2023: €0.1m) on their investments in Kerry Co-operative Creameries Limited and in Kerry Group Plc.

##### (ii) Trading with Directors

In the ordinary course of their business as farmers, Directors and companies owned by Directors have traded on standard commercial terms with the Agribusiness Division of Kerry Dairy Holdings (Ireland) Limited. Aggregate purchases from, and sales to, these Directors amounted to €4.8m and €1.1m, respectively. The trading balance outstanding at financial year end was €0.1m.

##### (iii) Trading with other related parties

As detailed in the Chairmans' Report, Kerry Co-Operative Creameries Limited was a related party of Kerry Group Plc during 2024 because of its significant shareholding in the Parent Company (Kerry Group Plc). During 2024, dividends of €23.3m (2023: €21.6m) were paid to Kerry Co-Operative Creameries Limited based on its shareholding. A subsidiary of Kerry Group Plc traded product to the value of €0.1m (2023: €0.1m) on behalf of Kerry Co-Operative Creameries Limited.

At 31 December 2024, Phase 1 of the sale of Kerry Dairy Ireland to Kerry Co-Operative Creameries Limited completed. At 31 December 2024, in the ordinary course of business, the Group had a net trading receivable balance of €12.3m which consisted of a receivable balance of €21.9m and a payable balance of €9.6m from/to Kerry Group Plc companies. At 31 December 2024, the Group had borrowings of €124.0m from Kerry Group Plc companies which is disclosed in Note 16.

During the year, Kerry Co-operative Creameries Limited made a number of disposals in respect of its shareholding in Kerry Group Plc as follows:

- May 2024 disposal of 198,972 shares
- November 2024 disposal of 456,843 shares
- December 2024 disposal of 19,045,396 shares, being the entire remaining shareholdings in Kerry Group Plc

The above disposals resulted in a fair value gain on financial assets of €253.2m (2023: €0.6m loss) during the year.

The Acquisition of Kerry Dairy Holdings (Ireland) Limited was preceded by a share-for-share exchange, whereby Kerry Group Plc acquired 85% of the shares in Kerry Co-operative Creameries Limited from its members in exchange for newly issued Kerry Group Plc shares. This resulted in Kerry Co-operative Creameries Limited members holding approximately 9.7% of Kerry Group Plc directly. Following this, Kerry Group Plc redeemed its entire shareholding in Kerry Co-operative Creameries Limited in exchange for a promissory note of €1.745 billion. Kerry Co-operative Creameries Limited subsequently redeemed Kerry Group Plc's shareholding in Kerry Co-operative Creameries Limited, issuing a promissory note of €1.483 billion. These promissory notes were subsequently set off against each other, leaving a residual balance of €261.9 million on the Kerry Group Plc promissory note which was used as part of the consideration for the acquisition of Kerry Dairy Ireland, the remaining consideration payable to Kerry Group Plc is disclosed in note 22.

## FINANCIAL STATEMENTS

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

#### 23 Related Party Transactions, continued

##### (iv) Transactions with key management personnel

Compensation for Executive Management for 2024 was €Nil (2023: €29,722).

The total compensation for Directors and former Directors (directors that retired in 2024) for the financial year amounted to €724,008 (2023: €593,628).

During the year, a share for share exchange was executed whereby Kerry acquired approximately 85% of the shares in the Society that were held by its members, in exchange for issuing an amount of Kerry Group Plc shares directly to the members of the Society, equal in value to approximately 85% of the Kerry Group Plc shares previously held by the Society. The total shares issued to Directors for the financial year amounted to 78,548.

The Annual fees for Board Members are set at €15,000 and at €25,000 for the Chairman. Additional payments are made for attendance at Committee meetings.

A number of Directors sit on other Boards as representatives of Kerry Co-Operative Creameries Ltd and are paid additional fees in respect of those appointments.

- 1 Directors Munster Cattle Breeding Group Ltd John Lawlor and Denis Donovan.
- 2 Director ICOS John O'Sullivan.
- 3 Director Member of National Dairy Council John C O'Connor.

#### 24 Events after the Statement of Financial Position date

On 8 January 2025 the funding arrangement with the Group's banking partners in relation to the acquisition of Kerry Dairy Ireland was approved and funds were drawn down against the facility. There were no other significant events, outside the ordinary course of business, affecting the Society since 31 December 2024.

#### 25 Reserves

##### Reserve fund

The reserve fund represents the Society's capital redemption reserve.

##### Fair Value Reserve of Financial Assets at FVOCI

The revaluation reserve relates to the unrealised profit or loss arising from movements in the value of publicly listed investments.

##### Retained earnings

Retained earnings refers to the portion of net income, which is retained by the Group rather than distributed to shareholders as dividends.

## FINANCIAL STATEMENTS

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

#### 26 Group entities

##### Principal subsidiaries

| Company Name                                    | %    | Country        | Nature of Business | Address |
|---|------|----------------|--------------------|---------|
| Breeo Brands Limited                            | 100% | Ireland        | Dairy ingredients  | 1       |
| Castleisland Cattle Breeding Society Limited    | 100% | Ireland        | Holding            | 1       |
| Dairy Consumer Foods (Ireland) Limited          | 100% | Ireland        | Dairy ingredients  | 1       |
| KDHI-Services Limited*                          | 100% | Ireland        | Services           | 1       |
| KCC Acquisition Company Limited                 | 100% | Ireland        | Holding            | 1       |
| Kerry Agri Business Trading Limited             | 100% | Ireland        | Dairy ingredients  | 1       |
| Kerry Creameries Limited                        | 100% | Ireland        | Dairy ingredients  | 1       |
| Kerry Dairy Holdings (Ireland) Limited          | 100% | Ireland        | Holding            | 1       |
| Kerry Ingredients (Ireland) Limited             | 100% | Ireland        | Dairy ingredients  | 1       |
| Kerry Nutritional Ingredients (Ireland) Limited | 100% | Ireland        | Dairy ingredients  | 1       |
| Kerrykream Limited                              | 100% | Ireland        | Dairy ingredients  | 1       |
| Newmarket Co-operative Creameries Limited       | 100% | Ireland        | Dairy ingredients  | 2       |
| Dairy Consumer Foods (UK) Limited               | 100% | United Kingdom | Dairy ingredients  | 3       |
| DCF Management Services (UK) Limited            | 100% | United Kingdom | Services           | 3       |

\* Incorporated on 23 April 2025

Refer to Note 22 - Business Combinations for further information

##### Registered Office

- 1 Prince's Street, Tralee, Co. Kerry, V92 EH11, Ireland.
- 2 Newmarket, County Cork, P51 FK73, Ireland
- 3 Bradley Road, Royal Portbury Dock, Bristol, BS20 7NZ, United Kingdom.

The Kerry Co-Operative Creameries Limited consolidated financial statements will be made available to the public.



**Advisory Committee Members**

**ARDKREAM**

|                  |                    |                    |
|------------------|--------------------|--------------------|
| Liam O’Sullivan  | Maurice O’Driscoll | TJ Stack           |
| Adrian Keane     | John Lawlor        | Joseph Carroll     |
| Kenneth Lawlor   | Maurice Harty      | Brendan McElligott |
| Dermot O’Connell | Padraig McCarthy   | Billy Dee          |
| Henry McEnery    | John A O’Connor    | John O’Hanlon      |

**FEALE**

|                    |                 |                   |
|--------------------|-----------------|-------------------|
| Damian Galvin      | Patrick Keane   | John Joe Flavin   |
| John G Fitzmaurice | Patrick Carmody | John Nolan        |
| Shane Wall         | David Diggin    | Patrick F Buckley |
| Gerard Carroll     | Con O’Sullivan  | Thomas Galvin     |
| John Joe Dillon    | Declan Kennelly |                   |

**DICKSGROVE**

|                        |                    |                |
|------------------------|--------------------|----------------|
| John C O’Connor        | Florence M Kerrisk | Thomas Murphy  |
| Michael Martin Griffin | Donie O’Sullivan   | Michael Teahan |
| John J Kerins          | Niall Broderick    | TJ Murphy      |

**IVERAGH**

|                    |                  |               |
|--------------------|------------------|---------------|
| Eoghan McCarthy    | Kevin Heffernan  | Maurice Foley |
| Donal Hayes        | Thomas O’Connell | Mark Lesley   |
| James Casey        | Denis Carroll    | Donal Spring  |
| Michael O’Sullivan |                  |               |

**EAST KERRY**

|                   |                  |                |
|-------------------|------------------|----------------|
| Diarmuid McCarthy | Patrick Herlihy  | Richard Leader |
| Dermot Dineen     | Conor Creedon    | Tim Dennehy    |
| Martin Randles    | Michael J Murphy |                |

**WEST KERRY**

|                |                 |                      |
|----------------|-----------------|----------------------|
| Oliver Brosnan | Michael Dowd    | Denis Michael Galvin |
| Shaun McCarthy | Patrick Hanafin | Seamus Leahy         |

**Advisory Committee Members**

**EAST LIMERICK**

|                     |                 |                   |
|---------------------|-----------------|-------------------|
| Timothy O’Brien     | Martin Crowe    | Michael Hickey    |
| Thomas O’Brien      | Seamus Crawford | Thomas O’Donnell  |
| Liam McGrath        | James O’Donnell | Fiachra Liston    |
| Ian Kelleher        | John Bateman    | Richard Hynes     |
| Michael McNamara    | Robert Troy     | John Hawe         |
| Clement J McAuliffe | Joseph Tierney  | Padraig Kenneally |
| James Tangney       | Vincent O’Brien | Tom Lynch         |
| Desmond Frawley     | Martin Moloney  | Paul Hannon       |

**WEST LIMERICK**

|                        |                         |                     |
|------------------------|-------------------------|---------------------|
| James Ambrose Kelly    | Victor Gardiner         | Michael O’Grady     |
| John O’Shaughnessy     | David Baker             | Gerard Noonan       |
| Richard O’Sullivan     | Michael Gerard O’Connor | James Holmes        |
| Denis Donovan          | Michael Doody           | Michael O’Callaghan |
| Niall O’Callaghan      | Michael G O’Flynn       | David Hayes Jnr     |
| Joe Collins            | Patrick O’Kelly         | Thomas Prendiville  |
| David Horan Jnr        | Denis Lane              | Patrick McAuliffe   |
| Aidan O’Callaghan      | James Fitzgerald        | Dermot Browne       |
| James Vincent O’Keeffe |                         |                     |

**CLARE**

|                   |                 |                    |
|-------------------|-----------------|--------------------|
| Jim McLnerney     | Sean Bugler     | Anthony Horan      |
| Michael Shalloo   | Sean Carrigg    | Sinead Cahill      |
| John Casey        | Declan O’Dwyer  | Patrick O’Donoghue |
| John Gerard Healy | Patrick O’Brien | Francis Kennedy    |
| John Hehir        | Joseph McMahon  | William Hanrahan   |
| Andrew Killeen    | Patrick Talty   | Kevin Hassett      |
| Patrick O’Neill   | Larry Dunphy    |                    |





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