TIRLÁN CO-OPERATIVE SOCIETY LIMITED

Reports and Consolidated Financial Statements

For the financial period ended 4 January 2025

Registered Number: 4928R (Ireland)

DIRECTORS' RESPONSIBILITY STATEMENT

The Board of Directors is responsible for the preparation of the financial statements which give a true and fair view in accordance with applicable Irish law including the Industrial and Provident Societies Acts 1893-2021 and IFRSs as adopted by the European Union. In preparing the financial statements, the Board of Directors is required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state that the financial statements comply with IFRS as adopted by the European Union; 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 of Directors confirms that it has complied with the above requirements in preparing the financial statements. The Board of Directors is responsible for keeping proper books of account, such as are necessary to give a true and fair view of the state of affairs of the Society and to explain its transactions. The Board of Directors is also responsible for safeguarding the assets of the Society and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Deloitte.

Deloitte Ireland LLP
Chartered Accountants &
Statutory Audit Firm

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TIRLÁN CO-OPERATIVE SOCIETY LIMITED

Report on the audit of the financial statements

Opinion on the financial statements of Tirlán Co-operative Society Limited (the 'parent society')

In our opinion the group and parent society financial statements:

- give a true and fair view of the assets, liabilities and financial position of the group and parent society as at 04 January 2025 and of the profit of the group and parent society for the financial period then ended; and
- have been properly prepared in accordance with the relevant financial reporting framework.

The financial statements we have audited comprise:

The group financial statements:
- the Group Income Statement;
- the Group Statement of Comprehensive Income;
- the Group Balance Sheet;
- the Group Statement of Changes in Equity;
- the Group Statement of Cashflows; and
- the related notes 1 to 41, including material accounting policy information as set out in note 4.

The parent society financial statements:
- the Income Statement;
- the Statement of Comprehensive Income;
- the Balance Sheet;
- the Statement of Changes in Equity; and
- the related notes 1 to 23, including material accounting policy information as set out in note 3.

The relevant financial reporting framework that has been applied in the preparation of the group financial statements is Irish law and IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB) and as adopted by the European Union ("the relevant financial reporting framework"). The relevant financial reporting framework that has been applied in the preparation of the parent society financial statements is Irish law and FRS 101 'Reduced Disclosure Framework' issued by the Financial Reporting Council ("the relevant financial reporting framework").

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) (ISAs (Ireland)) and applicable law. Our responsibilities under those standards are described below in the "*Auditor's responsibilities for the audit of the financial statements*" section of our report.

We are independent of the group and parent society in accordance with the ethical requirements that are relevant to our audit of the financial statements in Ireland, including the Ethical Standard issued by the Irish Auditing and Accounting Supervisory Authority (IAASA), as applied to listed entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TIRLÁN CO-OPERATIVE SOCIETY LIMITED

Summary of our audit approach

Key audit matters	The key audit matters that we identified in the current year were: • Revenue recognition • Retirement benefit obligations Within this report, any new key audit matters are identified with and any key audit matters which are the same as the prior year identified with .
Materiality	The group materiality that we used in the current year was €19m which was determined on the basis of 0.8% of forecasted revenue. The parent society materiality that we used in the current year was €8.1m which was determined on the basis of 2% of net assets.
Scoping	We followed a risk-based approach when performing our Group audit scoping. We focused primarily on the audit work in 2 components which were subject to further audit procedures, where the extent of our testing was based on our assessment of the associated risks of material misstatement at each individual component and the component performance materialities. We also carried out analytical procedures at the Group level to contribute to the overall audit evidence that the Group financial statements are free from material misstatement and that audit risk for a significant class of transaction, account balance or disclosure, has been reduced to an acceptably low level.
Significant changes in our approach	There were no significant changes in our audit approach.

Conclusions relating to going concern

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

Our evaluation of the directors' assessment of the group and parent society's ability to continue to adopt the going concern basis of accounting included:

- We evaluated the design and determined the implementation of the relevant controls in place for the directors' review of the budgets and forecasts for at least a period of 12 months from the date of signing of the Annual Report and Financial Statements, including reviewing their challenge of these;
- We considered the appropriateness of the method used by the directors in performing the going concern assessment in the context of the applicable financial reporting framework. We evaluated the relevance and challenged the reliability of the underlying data the directors used to make the assessment;
- We completed a review and challenged the forward looking forecasts through evaluating both the "Budget 2025" and "Strategic Plan 2023 – 2027" prepared by the Group;
- We evaluated the Group and Parent Society's financing arrangements, including the agreements in respect of the undrawn committed bank facilities in place within the Group;
- We performed a look back analysis of the historical accuracy of forecasts prepared by management; and
- We evaluated the adequacy of the relevant disclosures made in the financial statements.

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 and parent society's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TIRLÁN CO-OPERATIVE SOCIETY LIMITED

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

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) we identified, including those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Revenue recognition	
Key audit matter description	The Group's revenues of €2,663 million are principally derived from a range of added value dairy ingredients and consumer products. The Group is also a large-scale seller of animal nutrition and fertilizer as well as having a chain of agricultural retail outlets in Ireland. For Ingredients and Agribusiness, performance obligations are met at the point in time when control of the products has transferred to the customer, which is dependent on the contractual terms with each customer. In most cases, control transfers to the customer when the products are dispatched or delivered to the customer. However, for certain sales title does not transfer until the goods are receipted by the customer, which impacts the amount of revenue recognised in the period. We have therefore pinpointed the significant presumed risk of fraud, including management bias, for Ingredients and Agribusiness in revenue recognition to revenue cut off as revenue could be recognised prior to the risks and rewards transferring to the customer. For Consumer Foods, rebates and discounts are provided for based on agreements or contracts with customers and agreed promotional arrangements. Rebates and discounts are recorded in the same period as the original revenue. We have therefore pinpointed the significant presumed risk of fraud, including management bias, in revenue recognition to period-end accrued rebates relating to selling arrangements, and the corresponding debit adjustment to revenue as a risk exists that revenue could be misstated either intentionally to achieve performance targets, or as a result of error. Due to the judgements made by management in respect of revenue recognition this required extensive audit effort, therefore we have considered this as a key audit matter. Please refer to the accounting policy set out in Note 4(a) and note 5 to the financial statements.
How the scope of our audit responded to the key audit matter	We obtained an understanding of the revenue recognition process and assessed the design and determined the implementation of the relevant controls therein. The operating effectiveness of controls was tested and relied upon for Ingredients while a wholly substantive approach was taken for Agribusiness and Consumer Foods. For Ingredients & Agribusiness, we selected a sample of transactions pre and post year end and traced to amounts invoiced to customers including supporting goods dispatch and proof of delivery and assessed whether there was any evidence of management bias in revenue recognition. For Consumer Foods, we discussed key contractual arrangements with management and obtained relevant documentation, including documentation in respect of discounts, rebates and other promotional arrangements. On a sample basis, we recalculated period-end accruals based on underlying contracts with customers and assessed whether there was any evidence of management bias in key judgements made by management. Furthermore, we selected a sample of

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	discounts/rebates debited to revenue and traced to supporting documentation in the form of invoices and discount, rebate and other promotional customer agreements; and recalculated the discounts/rebates in line with the agreement. We discussed with management the movement on sales compared to prior year and budget and reviewed the level of credit notes issued after the year end to identify any transactions that do not represent valid sales at the financial year end. We completed a review of the prior year accrual and assessed whether there was any evidence of management bias present. We evaluated the completeness and accuracy of the disclosures made in the financial statements with reference to the requirements of IFRS 15.
Key observations	We have no observations that impact on our audit in respect of the amounts and disclosures related to revenue recognition.

Retirement benefit obligations	
Key audit matter description	The Group operates a number of defined benefit schemes in Ireland. The net pension surplus relating to these schemes was €44 million at the balance sheet date. There is a high degree of estimation and judgement by management in the calculation of the pension liabilities, particularly in the underlying assumptions, specifically the discount rate, which is subject to high volatility from small movements in assumptions. We determined this to be a key audit matter as there is a risk that pension plan liabilities are determined using inappropriate discount rates, leading to potential misstatement of the net pension surplus. Please refer to the accounting policy set out in Note 4(l), critical accounting estimates and judgements in note 3 and note 19 to the financial statements.
How the scope of our audit responded to the key audit matter	We obtained an understanding of the retirement benefit process and assessed the design and determined the implementation of the relevant controls therein. We utilised Deloitte actuaries as part of our team to assist us in evaluating the appropriateness of key actuarial assumptions with particular focus on discount rates. Our work included discussions with both management and the Group's external pension advisors to understand their processes and the assumptions used in calculating the retirement benefit asset. We benchmarked key assumptions used against market data where available. We assessed whether managements' disclosures in the financial statements in respect of retirement benefit obligations were in accordance with the applicable financial reporting framework.
Key observations	We have no observations that impact on our audit in respect of the amounts and disclosures related to retirement benefit obligations.

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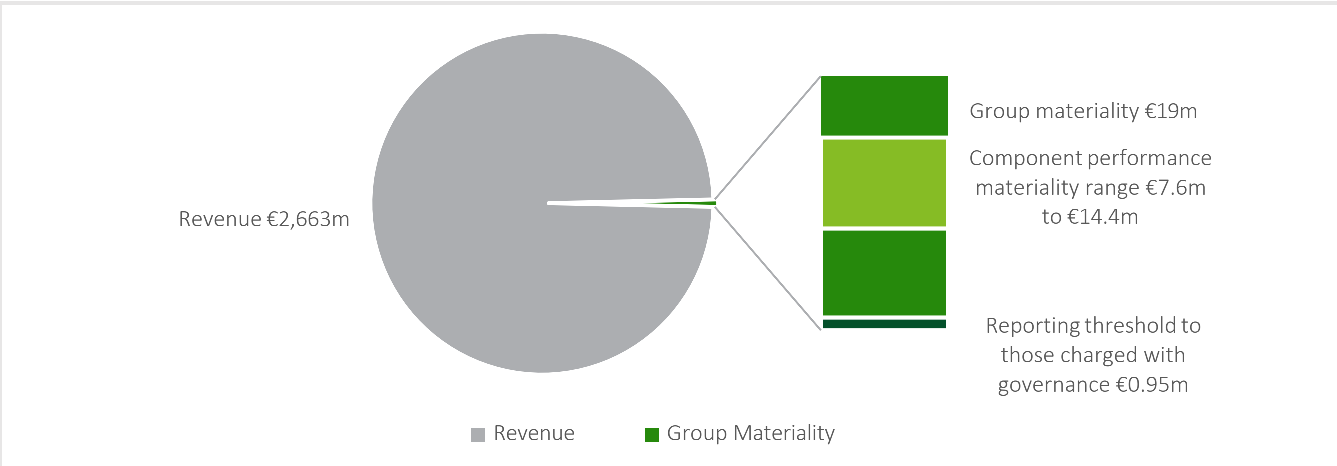
Our audit procedures relating to these matters were designed in the context of our audit of the financial statements as a whole, and not to express an opinion on individual accounts or disclosures. Our opinion on the financial statements is not modified with respect to any of the risks described above, and we do not express an opinion on these individual matters.

Our application of materiality

We define materiality as the magnitude of misstatement in the financial statements that makes it probable that the economic decisions of a reasonably knowledgeable person would be changed or influenced. We use materiality both in planning the scope of our audit work and in evaluating the results of our work.

Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

	Group financial statements	Parent society financial statements
Materiality	€19m (2024 : €17m)	€8.1m (2024 : €7.99m)
Basis for determining materiality	0.8% of forecasted revenue	2% of net assets
Rationale for the benchmark applied	We have considered revenue to be the critical component for determining materiality because it is the most important measure for users of the Group's financial statements. Forecasted revenue was utilised as the basis for the materiality calculation. We considered if any revision was necessary based on actual revenue and no revision was deemed to be required.	The Parent Society does not generate revenues but instead incurs costs, thus net assets are of most relevance to the users of the Parent Society financial statements.



We set performance materiality at a level lower than materiality to reduce the probability that, in aggregate, uncorrected and undetected misstatements exceed the materiality for the financial statements as a whole.

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
TIRLÁN CO-OPERATIVE SOCIETY LIMITED

	Group financial statements	Parent society financial statements
Performance materiality	80% (2024: 80%) of group materiality	80% (2024: 85%) of parent society materiality. We updated the percentage used in the current year to align with the percentage used in relation to the group financial statements.
Basis and rationale for determining performance materiality	In determining performance materiality, we considered the following factors: 1. Our cumulative knowledge of the Group's control environment and the quality of the control environment and our ability to rely on controls; 2. The degree of centralisation and common processes and controls; 3. Account balances that require management to exercise significant judgement or estimation; 4. The nature, volume and size of misstatements (corrected and/or uncorrected) in the previous audit; and 5. Changes in the business that would affect our ability to forecast potential misstatements.	

We agreed with the Audit and Risk Committee that we would report to them all audit differences in excess of €0.95m (2024 : €0.85m) as well as differences below that threshold that, in our view, warranted reporting on qualitative grounds. We also report to the Audit and Risk Committee on disclosure matters that we identified when assessing the overall presentation of the financial statements.

An overview of the scope of our audit

We followed a risk based approach when performing our Group audit by obtaining an understanding of the Group and its environment, Group-wide internal financial controls, and assessing the risks of material misstatement at the Group level. Based on our group-level risk assessment, we identified a number of key areas at which audit work is performed. This was based on our assessment of identified significant risks, areas of higher assessed risks of material misstatement of the consolidated financial statements and areas in the audit of the group financial statements that involve significant judgement. We focused our audit work on 2 components. These audit procedures covered 99% of the group's Revenue, 98% of the group's Assets and 95% of the group's Liabilities. Residual analysis was completed on the components not selected for further audit procedures, which incorporated analysing disaggregated financial data to assist in identifying unusual movements or relationships.

The above components were selected based on the level of coverage achieved on revenue and net assets, the qualitative and risk considerations of these components and to provide an appropriate basis for undertaking audit work to address the risks of material misstatement identified. Our audit work for all components was executed at levels of materiality applicable to each individual component which were lower than Group materiality and ranged from €8.1m to €18m.

At the Group level, we performed audit work over a number of centralised areas including but not limited to audit procedures over relevant IT systems. We also tested the consolidation process and carried out analytical procedures at the Group level to contribute to the overall audit evidence that the Group financial statements are free from material misstatement and that audit risk for a significant class of transaction, account balance or disclosure, has been reduced to an acceptably low level.

At the Group level, we also tested the consolidation process and carried out analytical procedures to confirm our conclusion that there were no significant risks of material misstatement of the aggregated financial information of the remaining components not subject to a full audit.

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TIRLÁN CO-OPERATIVE SOCIETY LIMITED

Other information

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

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

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in 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 in this regard.

Responsibilities of directors

As explained more fully in the Directors' Responsibility Statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view and otherwise comply with the Companies Act 2014, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group and parent society'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 and parent society or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

A further description of our responsibilities for the audit of the financial statements is located on IAASA's website at: https://iaasa.ie/publications/description-of-the-auditors-responsibilities-for-the-audit-of-the-financial-statements. This description forms part of our auditor's report.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

Identifying and assessing potential risks related to irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- the nature of the industry and sector, control environment and business performance including the design of the group's remuneration policies, key drivers for directors' remuneration, bonus levels and performance targets;

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- results of our enquiries of management,internal audit, legal counsel and the audit committee about their own identification and assessment of the risks of irregularities;
- any matters we identified having obtained and reviewed the group and parent society's documentation of their policies and procedures relating to:
    - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
    - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
    - the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations;
- the matters discussed among the audit engagement team including component audit teams and relevant internal specialists, including valuations, pensions and IT specialists regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud in the following areas:
revenue recognition.

In common with all audits under ISAs (Ireland), we are also required to perform specific procedures to respond to the risk of management override.

We also obtained an understanding of the legal and regulatory frameworks that the group operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the Industrial and Provident Societies Acts, 1893-2021, pension legislation and tax legislation in Ireland.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the group's ability to operate or to avoid a material penalty. These included the food safety and environmental regulations that the Group operates under.

Audit response to risks identified

As a result of performing the above, we identified revenue recognition as a key audit matter related to the potential risk of fraud. The key audit matters section of our report explains the matter in more detail and also describes the specific procedures we performed in response to that key audit matter.

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TIRLÁN CO-OPERATIVE SOCIETY LIMITED

In addition to the above, our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- enquiring of management, the audit committee and in-house and external legal counsel concerning actual and potential litigation and claims;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reading minutes of meetings of those charged with governance, reviewing internal audit reports and reviewing correspondence with the Revenue Commissioners of Ireland; and
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members including internal specialists and component audit teams, and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Report on other legal and regulatory requirements

Matters on which we are required to report by the Industrial and Provident Societies Acts, 1893-2021

- As required by section 13(2) of the Industrial and Provident Societies Acts , 1893-2021 we examined the balance sheet showing the receipts and expenditure, funds and effects of the parent 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.

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TIRLÁN CO-OPERATIVE SOCIETY LIMITED

Use of our report

This report is made solely to the parent society's members, as a body, in accordance with Section 14 of the Industrial and Provident Societies Acts, 1893-2021. Our audit work has been undertaken so that we might state to the parent society's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the parent society and the parent society's members as a body, for our audit work, for this report, or for the opinions we have formed.

/s/ Gerard Casey
Gerard Casey
For and on behalf of Deloitte Ireland LLP
Chartered Accountants and Statutory Audit Firm
Deloitte & Touche House, 29 Earlsfort Terrace, Dublin 2

08 April 2025

[Notes: An audit does not provide assurance on the maintenance and integrity of the website, including controls used to achieve this, and in particular on whether any changes may have occurred to the financial statements since first published. These matters are the responsibility of the directors but no control procedures can provide absolute assurance in this area.

Legislation in Ireland governing the preparation and dissemination of financial statements differs from legislation in other jurisdictions]

GROUP INCOME STATEMENT

FINANCIAL YEAR ENDED 4 JANUARY 2025

	Notes	2024 €'m	2023 €'m
Revenue	5	2,662.9	2,543.7
Cost of sales		(2,383.7)	(2,272.4)
Gross profit		**279.2**	**271.3**
Distribution costs		(116.2)	(118.1)
Administration expenses		(108.6)	(95.2)
Net impairment losses on financial assets		-	(0.6)
Operating profit		**54.4**	**57.4**
Finance income	8	16.5	0.2
Finance costs	8	(25.6)	(33.9)
Share of profit of joint ventures	17	3.8	1.1
Share of profit of associates	18	43.2	89.0
Exceptional items	9	(7.4)	1.9
Profit before taxation		**84.9**	**115.7**
Income taxes	10	(5.3)	(4.9)
Profit for the financial year		**79.6**	**110.8**
Attributable to :			
Equity holders of the Society		78.3	108.8
Non-controlling interests	26	1.3	2.0
		79.6	**110.8**

Seán Molloy **Michael Horan**

On behalf of the Board on 8 April 2025

GROUP STATEMENT OF COMPREHENSIVE INCOME

FINANCIAL YEAR ENDED 4 JANUARY 2025

	Notes	2024 €'m	2023 €'m
Profit for the financial year		**79.6**	110.8
Other comprehensive income			
Items that are not reclassified subsequently to the income statement			
Remeasurements on defined benefit pension schemes, net of deferred tax		**17.1**	(0.1)
Share of other comprehensive income from associates	18	**1.1**	0.4
		18.2	0.3
Items that may be reclassified subsequently to the income statement			
Currency translation differences	24	**0.2**	(0.1)
Fair value movement on foreign currency contracts	24	**(1.0)**	0.1
Fair value movement on cash flow hedges	24	**(4.6)**	(6.6)
Commodity futures gain/(loss) in the financial year	24	**2.2**	(1.1)
Deferred tax credit on cash flow hedges	24	**0.5**	0.9
Share of other comprehensive income from joint ventures	17	**(1.3)**	-
Share of other comprehensive income from associates	18	**36.8**	(18.6)
		32.8	(25.4)
Total other comprehensive income for the financial year, net of tax		**51.0**	(25.1)
Total comprehensive income for the financial year		**130.6**	85.7
Total comprehensive income attributable to :			
Equity holders of the Society		**129.3**	83.7
Non-controlling interests	26	**1.3**	2.0
		130.6	85.7

GROUP BALANCE SHEET

AS AT 4 JANUARY 2025

	Notes	2024 €'m	2023 €'m
ASSETS			
Non-current assets			
Property, plant and equipment	12	**749.6**	746.8
Right-of-use assets	13	**44.6**	39.9
Intangible assets	14	**40.7**	40.9
Financial assets	15	**3.2**	3.6
Investment in joint ventures	17	**45.3**	43.2
Investment in associates	18	**851.2**	828.1
Derivative financial instruments	29	**0.1**	-
Trade and other receivables	21	**5.4**	5.7
Deferred tax asset	30	**5.3**	5.0
Retirement benefit assets	19	**44.0**	25.7
Total non-current assets		**1,789.4**	1,738.9
Current assets			
Inventories	20	**294.3**	251.8
Trade and other receivables	21	**257.5**	214.3
Derivative financial instruments	29	**0.5**	7.4
Cash and cash equivalents	22	**116.5**	148.8
Total current assets		**668.8**	622.3
Total assets		**2,458.2**	2,361.2

GROUP BALANCE SHEET - continued

AS AT 4 JANUARY 2025

	Notes	2024 €'m	2023 €'m
EQUITY			
Called up share capital	23	**33.6**	34.0
Share premium	23	**9.5**	9.2
Other reserves	24	**(78.6)**	(81.3)
Retained earnings	25	**1,372.4**	1,297.5
		1,336.9	1,259.4
Non-controlling interests	26	**18.1**	17.2
Total equity		**1,355.0**	1,276.6
LIABILITIES			
Non-current liabilities			
Other payables	27	**7.0**	7.0
Lease liabilities	13	**37.5**	34.1
Borrowings	28	**407.0**	461.4
Derivative financial instruments	29	**11.5**	28.6
Deferred tax liabilities	30	**61.0**	57.5
Provisions	32	**6.0**	4.7
Capital grants	33	**29.0**	30.6
Total non-current liabilities		**559.0**	623.9
Current liabilities			
Trade and other payables	27	**478.1**	398.2
Lease liabilities	13	**6.4**	6.4
Borrowings	28	**48.7**	42.5
Derivative financial instruments	29	**1.0**	1.3
Deferred consideration	31	**-**	6.0
Provisions	32	**7.0**	4.2
Capital grants	33	**3.0**	2.1
Total current liabilities		**544.2**	460.7
Total liabilities		**1,103.2**	1,084.6
Total equity and liabilities		**2,458.2**	2,361.2

Seán Molloy **Michael Horan**

On behalf of the Board on 8 April 2025

GROUP STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 4 JANUARY 2025

	Share capital and share premium (note 23)	Other reserves (note 24)	Retained earnings (note 25)	Total	Non-controlling interest (note 26)	Total
	€'m	€'m	€'m	€'m	€'m	€'m
Balance at 31 December 2022	**43.0**	**(27.0)**	**1,222.0**	**1,238.0**	**15.9**	**1,253.9**
Profit for the financial year	-	-	108.8	108.8	2.0	110.8
Other comprehensive income	-	(25.4)	0.3	(25.1)	-	(25.1)
Total comprehensive income for the year	**-**	**(25.4)**	**109.1**	**83.7**	**2.0**	**85.7**
Ordinary share interest and appropriations to society shareholders (note 11)	-	-	(35.8)	(35.8)	-	(35.8)
Dividends to non-controlling interest	-	-	-	-	(0.7)	(0.7)
Issue of share capital	0.2	-	-	0.2	-	0.2
Share of equity movements of associates (note 18)		(28.9)	2.2	(26.7)	-	(26.7)
Balance at 30 December 2023	**43.2**	**(81.3)**	**1,297.5**	**1,259.4**	**17.2**	**1,276.6**
Profit for the financial year	**-**	**-**	**78.3**	**78.3**	**1.3**	**79.6**
Other comprehensive income	**-**	**32.8**	**18.2**	**51.0**	**-**	**51.0**
Total comprehensive income for the year	**-**	**32.8**	**96.5**	**129.3**	**1.3**	**130.6**
Ordinary share interest and appropriations to society shareholders (note 11)	**-**	**-**	**(21.6)**	**(21.6)**	**-**	**(21.6)**
Dividends to non-controlling interest	**-**	**-**	**-**	**-**	**(0.4)**	**(0.4)**
Issue of share capital	**0.4**	**-**	**-**	**0.4**	**-**	**0.4**
Cancellation of share issue	**(0.5)**	**-**	**-**	**(0.5)**	**-**	**(0.5)**
Share of equity movements of associates (note 18)	**-**	**(30.1)**	**-**	**(30.1)**	**-**	**(30.1)**
Balance at 4 January 2025	**43.1**	**(78.6)**	**1,372.4**	**1,336.9**	**18.1**	**1,355.0**

GROUP STATEMENT OF CASHFLOWS

FINANCIAL YEAR ENDED 4 JANUARY 2025

	Notes	2024 €'m	2023 €'m
Cash flows from operating activities			
Cash generated from operating activities	37	**98.9**	150.7
Interest received		**-**	0.1
Interest paid		**(22.5)**	(25.4)
Tax (paid)/refund		**(2.0)**	1.7
Net cash inflow from operating activities		**74.4**	127.1
Cash flows from investing activities			
Purchase of property, plant and equipment		**(50.9)**	(37.8)
Purchase of intangible assets		**(3.8)**	(8.1)
Disposal of property, plant and equipment		**0.6**	0.3
Capital grants received		**2.2**	1.4
Investment in joint venture	17	**-**	(5.2)
Deferred consideration payments	31	**(6.0)**	(0.3)
Loan advanced to a joint venture	38	**-**	(2.5)
Payments for Tirlán MilkFlex Fund	21	**0.3**	0.4
Stamp duty refund relating to spin-out		**-**	1.3
Disposal of financial assets	15	**0.5**	1.5
Purchase of financial assets	15	**-**	(0.3)
Dividends received from joint ventures and associates		**28.6**	25.4
Net cash outflow from investing activities		**(28.5)**	(23.9)
Cash flows from financing activities			
Proceeds from issue of ordinary shares		**0.2**	0.2
Drawdown of borrowings		**197.8**	10.2
Repayment of borrowings		**(246.7)**	(31.5)
Distribution paid to Society's shareholders – member supports		**(13.7)**	(28.5)
Distribution paid to Society's shareholders – rebates	11	**(0.1)**	(0.1)
Ordinary share interest paid to Society's shareholders		**(6.7)**	(6.1)
Special share interest paid to Society's shareholders		**(0.1)**	-
Lease payments		**(8.9)**	(7.4)
Net cash outflow from financing activities		**(78.2)**	(63.2)
Net (decrease)/increase in cash and cash equivalents		**(32.3)**	40.0
Cash and cash equivalents at the start of the financial year		**148.8**	108.8
Cash and cash equivalents at the end of the financial year	22	**116.5**	148.8

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. GENERAL INFORMATION

Tirlán Co-Operative Society Limited (the "Society") and its subsidiaries (together the "Group") is a food and nutrition business, with a diverse portfolio of quality ingredients, leading consumer and agri brands. The Society is domiciled in Ireland and the number which it is registered is 4928R. The address of its registered office is Abbey Quarter, Kilkenny, Ireland, R95 DXR1. These consolidated financial statements were approved and authorised for issue by the Board of Directors on 7 April 2025.

2. BASIS OF PREPARATION

The consolidated financial statements of the Group have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union and the provisions of the Industrial and Provident Societies Act 1893-2021. The Group's financial year does not end on a fixed calendar date but follows a 52-week financial period cycle, typically ending on the nearest Saturday to 31 December. To align the financial reporting period with the calendar year, an additional 53rd week is included when required. Accordingly, the financial year ended 4th January 2025 comprises 53 weeks, compared to 52 weeks in the prior year (financial year ended 30 December 2023). This adjustment ensures consistency in reporting periods over time. The financial statements are presented in euro millions (€'m) unless otherwise stated.

Going concern

After making enquiries, the directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for a period of at least 12 months from the date of approval of the Group financial statements. The Group therefore continues to adopt the going concern basis in preparing its financial statements. In reaching this conclusion the Directors have had due regard to:

- cash generation from operations, available cash resources, and the maturity profile of its borrowings of which taken together provide confidence that the Group will be able to meet its obligations as they fall due;
- the Group's financial risk management policies, the nature of its business activities and the factors likely to impact operating performance; and
- the operating performance and future growth of the Group's subsidiaries, associates and joint ventures.

Adoption of amended standards

There were no new IFRS standards or IFRS amendments effective for the Group during the financial year.

New and amended standards that are not yet effective

The Group has not applied new standards and amendments to existing standards that have been issued but are not yet effective. The Group intends to adopt these amended standards, if applicable, when they become effective. The Group is currently evaluating the impact of the amendments and new standards on future periods.

Classification of Liabilities as Current or Non-current – Amendments to IAS 1 (IASB effective date: on or after 1 January 2024)

The amendments clarify that liabilities are classified as either current or non-current, depending on the rights that exist at the end of the reporting period. Classification is unaffected by the expectations of the entity or events after the reporting date (e.g. the receipt of a waiver or a breach of covenant). The amendments also clarify what IAS 1 means when it refers to the 'settlement' of a liability.

2. BASIS OF PREPARATION – CONTINUED

Non-current liabilities with Covenants – Amendments to IAS 1 (IASB effective date: on or after 1 January 2024)

The amendments specify that only covenants that an entity is required to comply with on or before the end of the reporting period affect the entity's right to defer settlement of a liability for at least twelve months after the reporting date (and therefore must be considered in assessing the classification of the liability as current or non-current). The IASB also specifies that the right to defer settlement of a liability for at least twelve months after the reporting date is not affected if an entity only has to comply with a covenant after the reporting period. However, if the entity's right to defer settlement of a liability is subject to the entity complying with covenants within twelve months after the reporting period, an entity discloses information that enables users of financial statements to understand the risk of the liabilities becoming repayable within twelve months after the reporting period.

Supplier Finance Arrangement – Amendments to IAS 7 and IFRS 7 (IASB effective date: on or after 1 January 2024)

The amendments add a disclosure objective to IAS 7 stating that an entity is required to disclose information about its supplier finance arrangements that enables users of financial statements to assess the effects of those arrangements on the entity's liabilities and cash flows. In addition, IFRS 7 was amended to add supplier finance arrangements as an example within the requirements to disclose information about an entity's exposure to concentration of liquidity risk.

Lease Liability in a Sale and Leaseback – Amendments to IFRS 16 (IASB effective date: on or after 1 January 2024)

The amendments to IFRS 16 add subsequent measurement requirements for sale and leaseback transactions that satisfy the requirements in IFRS 15 to be accounted for as a sale. The amendments require the seller-lessee to determine 'lease payments' or 'revised lease payments' such that the seller-lessee does not recognise a gain or loss that relates to the right of use retained by the seller-lessee, after the commencement date.

Lack of Exchangeability – Amendments to IAS 21 (IASB effective date: on or after 1 January 2025)

The amendments specify how to assess whether a currency is exchangeable and how to determine the exchange rate when it is not. When a currency is not exchangeable at the measurement date, an entity is required to estimate the spot exchange rate as the rate that would have applied to an orderly exchange transaction at the measurement date between market participants under prevailing economic conditions.

Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7 (IASB effective date: on or after 1 January 2026)

The amendments to the application guidance of IFRS 9 permit an entity to deem a financial liability (or part of it) that will be settled in cash using an electronic payment system to be discharged before the settlement date if specified criteria are met. An entity that elects to apply the derecognition option would be required to apply it to all settlements made through the same electronic payment system. The amendments provide guidance on how an entity can assess whether contractual cash flows of a financial asset are consistent with a basic lending arrangement. The amendments enhance the description of the term 'non-recourse' and clarify the characteristics of contractually linked instruments that distinguish them from other transactions. The amendments require the disclosure of contractual terms that could change the timing or amount of contractual cash flows on the occurrence (or non-occurrence) of a contingent event that does not relate directly to changes in a basic lending risks and costs.

Annual Improvements to IFRS Accounting Standards – Volume 11 (IASB effective date: on or after 1 January 2026)

The Annual Improvements – Volume 11 contains amendments to five standards to address potential confusion or lack of clarity in references or paragraphs. The amendments include IFRS 1 (hedge accounting by a first time adopter), IFRS 7 (gain or loss on derecognition, disclosure of deferred difference between fair value and transaction price, introduction and credit risk disclosures), IFRS 9 (lessee derecognition of lease liabilities and transaction price), IFRS 10 (determination of de-facto agent) and IAS 7 (cost method).

2. BASIS OF PREPARATION – CONTINUED

Presentation and Disclosures in Financial Statements – IFRS 18 (IASB effective date: on or after 1 January 2027)

IFRS 18 replaces IAS 1, carrying forward many of the requirements in IAS 1 unchanged and complementing them with new requirements. In addition, some IAS 1 paragraphs have been moved to IAS 8 and IFRS 7. Furthermore, the IASB has made minor amendments to IAS 7 and IAS 22 Earnings per Share.

IFRS 8 introduces new requirements to present specified categories and defined subtotals in the statement of profit or loss, provide disclosures on management-defined performance measures (MPMs) in the notes to the financial statements and improve aggregation and disaggregation.

Subsidiaries without Public Accountability: Disclosures – IFRS 19 (IASB effective date: on or after 1 January 2027)

IFRS 19 permits an eligible subsidiary to provide reduced disclosures when applying IFRS Accounting Standards in its financial statements. A subsidiary is eligible for the reduced disclosures if it does not have public accountability and its ultimate or any intermediate parent produces consolidated financial statements for public use that comply with IFRS Accounting Standards. A subsidiary has public accountability if its debt or equity instruments are traded in a public market or it is in the process of issuing such instruments for trading in a public market or it holds assets in a fiduciary capacity for a broad group of outsiders as one of its primary businesses (for example banks, credit unions, insurance entities, mutual funds). Eligible entities can apply IFRS 19 in their consolidated, separate or individual financial statements. An eligible intermediate parent that does not apply IFRS 19 in its consolidated financial statement may do so in its separate financial statements.

Impact of climate change

The Group has considered the impact of climate change on the financial statements including the impairment of financial and non-financial assets, the useful lives of those assets, and provisions. Climate change is not expected to have a significant impact on the viability of the Group.

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The Group makes estimates and judgements concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

(i) Estimates
The estimates and assumptions that could have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Post-employment benefits
The rates of contributions payable, the pension cost and the Group's total obligation in respect of defined benefit plans are calculated and determined by independent qualified actuaries and updated at least annually. As at 4 January 2025, the Group had plan assets totalling €380.0 million (30 December 2023: €384.6 million) and plan liabilities totalling €336.0 million (30 December 2023: €358.9 million), giving a net pension surplus of €44.0 million (30 December 2023: €25.7 million). The size of the obligation and cost of the benefits are sensitive to actuarial assumptions. These include demographic assumptions covering mortality and economic assumptions covering price inflation, benefit and salary increases together with the discount rate used.

3. CRITICAL ESTIMATES AND JUDGEMENTS - CONTINUED

(ii) Judgements

The following are the critical judgements, apart from those involving estimations (which are presented separately above), that the directors have made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in financial statements.

Exceptional items

The Group considers that items of income or expense which are significant by virtue of their scale and/or nature should be disclosed separately if the Group financial statements are to fairly present the financial performance and financial position of the Group. Determining which transactions are to be considered exceptional in nature is often a subjective matter. However, circumstances that the Group believes would give rise to exceptional items for separate disclosure are outlined in the accounting policy on exceptional items in note 4. Exceptional items are noted on a separate line of the income statement. In addition, for clarity, separate disclosure is made in note 9 of all exceptional items included on the face of the Group income statement.

4. ACCOUNTING POLICIES

The material accounting policies of the Group which are outlined below have been applied consistently throughout the current and prior year.

(a) Revenue recognition

The Group manufactures and sells dairy ingredients and consumer products. Performance obligations are met at the point in time when control of the products has transferred to the customer, which is dependent on the contractual terms with each customer. In most cases, control transfers to the customer when the products are dispatched or delivered to the customer. Delivery occurs when the products have been delivered to the specific location. Rebates and discounts are provided for based on agreements or contracts with customers, agreed promotional arrangements and accumulated experience using the most likely method. Rebates and discounts are recorded in the same year as the original revenue. The Group is deemed to be a principal in an arrangement when it controls a promised good before transferring them to a customer, and accordingly recognises revenue on a gross basis. Generally, payment of the transaction price is due within credit terms that are consistent with industry practices, with no element of financing.

Thus, the Group does not adjust any of the transaction prices for the time value of money as a practical expedient as the Group does not expect to have any contracts where the period between the transfer of the promised products to the customer and payment by the customer exceeds one year.

4. ACCOUNTING POLICIES – CONTINUED

(b) Property, plant and equipment

Property, plant and equipment is stated at cost or cost less subsequent depreciation less any impairment loss. Depreciation is calculated on the straight-line method to write off the cost of each asset over its estimated useful life at the following rates:

Buildings	2.5% - 5%
Plant and equipment	3.33 % - 25%
Motor vehicles	20%

Substantial new assets to process incremental milk volumes are depreciated based on the utilisation of the notional capacity of the production plant. The assets' residual values and useful lives are reviewed (and adjusted if appropriate) at each reporting date.

Property, plant and equipment are tested for impairment when indicators arise. Where the carrying amount of an asset is greater than its estimated recoverable amount, it is written down to its recoverable amount. Gains and losses on disposals are determined by comparing proceeds with the carrying amount and are included in operating profit.

Land and assets under construction are not depreciated. Residual values and useful lives are reviewed and adjusted if appropriate at each reporting date.

(c) Intangible assets

Goodwill

Goodwill is carried at cost less accumulated impairment losses, if applicable. Goodwill is reviewed at least annually for impairment. An impairment loss is recognised to the extent that the carrying value of the assets exceeds their recoverable amount. The recoverable amount is the higher of the assets fair value less costs to sell and its value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash generating units).

Computer Software

Costs incurred on the acquisition of computer software are capitalised, as are costs directly associated with computer software programmes, if they meet the recognition criteria of IAS 38 – Intangible Assets. Computer software costs recognised as assets are written off on a straight line basis over their estimated useful lives, which are normally between four and eight years.

Research and development costs

Research expenditure is recognised as an expense as incurred. Costs incurred on development projects (relating to the design and testing of new or improved products) are recognised as intangible assets when it is probable that the project will be a success, considering its commercial and technological feasibility, and costs can be measured reliably. Development costs are amortised using the straight line method over their estimated useful lives, which is normally six years.

Utility Connection

Costs incurred in securing industrial service rights (e.g. the rights to use an asset such as a pipeline, rather than actual ownership of the asset) are initially capitalised if they meet the recognition criteria of IAS 38 – Intangible Assets, and are amortised on a straight line basis over the year expected to benefit from their use. The amortisation commences as soon as the related asset expected to use the industrial service is put into use. The amortisation year is reviewed on an annual basis which is normally thirty years.

4. ACCOUNTING POLICIES – CONTINUED

(c) Intangible assets - continued

Brands

Brands acquired as part of a business combination, are stated at their fair value at the date control is achieved. Brands are amortised using the straight line method over their useful life of between 5 and 20 years.

(d) Financial assets

The Group classifies and measures its investments in equity instruments at fair value. Changes in that fair value are recognised in the income statement unless management has elected to present fair value gains and losses in other comprehensive income (OCI) on an investment by investment basis. When an election is made for an investment, there is no subsequent reclassification of fair value gains or losses related to the investment to profit or loss following the derecognition of the investment. Dividends from such investments are recognised in profit or loss when the Group's right to receive payments is established.

(e) Inventories

Inventories are stated at the lower of 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. Cost is determined by the first-in, first-out (FIFO) method or by weighted average cost. The cost of finished goods and work in progress comprises raw materials, direct labour, other direct costs and related production overheads (based on normal capacity). Costs of inventories include the transfer from equity of any gains/losses on qualifying cash flow hedges which relate to purchases of raw materials.

Net realisable value is the estimated selling price in the ordinary course of business, less all estimated costs of completion and selling expenses. Allowance is made, where necessary, for aged, slow moving, obsolete and defective inventories.

(f) Trade receivables and other receivables, loans to joint ventures and financial assets at amortised cost

Trade and other receivables, loans to joint ventures and financial assets at amortised cost are classified and measured at amortised cost as they are held to collect contractual cash flows which comprise solely payments of principal and interest, where applicable. They are recognised initially at fair value plus transaction costs, except trade receivables that do not contain significant financing components which are recognised at transaction price. They are subsequently measured at amortised cost using the effective interest method less expected credit loss allowance.

The Group recognises an allowance for expected credit losses (ECL) for financial assets not held at fair value through profit or loss. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECL are provided for credit losses that result from default events that are possible within the next 12 months. For those credit exposures for which there has been a significant increase in credit risk since initial recognition or where there has been a credit impaired event, a lifetime expected loss allowance is recognised, irrespective of the timing of the default.

The Group applies the IFRS 9 simplified approach to measure ECL which uses a lifetime expected loss allowance for all trade receivables. A loss allowance for the amount of receivables that is subject to credit risk is estimated based on expected credit losses. To measure ECL, historical loss rates are calculated based on historical credit loss experience. The loss allowance based on historical loss rates is adjusted where appropriate to reflect current information and forward-looking information on macroeconomic factors, including the trading environment of countries in which the Group sells its goods, which affect the ability of the debtors to settle the receivables.

(f) Trade receivables and other receivables, loans to joint ventures and financial assets at amortised cost - continued

The above financial assets are written off when there is no reasonable expectation of recovery such as a debtor failing to engage in a repayment plan with the Group. Subsequent recoveries of amounts previously written off are credited against administration costs in the income statement. Where risks associated with receivables are transferred out of the Group under debt purchase agreements, such receivables are recognised in the balance sheet to the extent of the Group's continued involvement and retained risk.

(g) Derivative financial instruments

The activities of the Group expose it primarily to the financial risks of changes in foreign currency exchange rates, interest rates and commodity prices. The Group uses foreign currency, interest rate swaps, and commodity derivative financial instruments to hedge these exposures.

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently measured at their fair value at the reporting date.

The fair value of foreign currency contracts is estimated by discounting the difference between the contractual forward price and the current forward price for the residual maturity of the contract using the European Central Bank interest rate at the measurement date. The fair value of interest rate swaps is estimated by discounting future cash flows under the swap, using the market interest rates, at the measurement date, for time period equal to the residual maturity of the contracted cash flows. The fair value of commodity contracts is estimated by discounting the difference between the contracted futures price and the current forward price for the residual maturity of the contracts using the European Central Bank interest rates.

The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument and, if so, the nature of the item being hedged. The Group designates certain derivatives as hedges of a particular risk associated with a recognised asset or liability or a highly probable forecast transaction (cash flow hedge). The Group documents at the inception of the transaction, the relationship between hedging instruments and hedged items, as well as its risk management objective and strategy for undertaking various hedge transactions. The Group also documents its assessment, both at hedge inception and every six months, of whether the derivatives that are used in hedging transactions are highly effective in offsetting changes in cash flows of hedged items.

Cash flow hedges

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in other comprehensive income. The gain or loss relating to the ineffective portion is recognised in the income statement. Amounts accumulated in equity are recycled in the income statement in the years when the hedged item affects profit or loss (for instance when the forecast sale that is hedged takes place). The recycled gain or loss relating to the effective portion of foreign exchange contracts is recognised in the income statement. However, when the forecast transaction that is hedged results in the recognition of a non-financial asset (for example, inventory) or a non–financial liability, the gains and losses previously deferred in equity are transferred from equity and included in the initial measurement of the cost of the asset or liability.

When a hedging instrument expires or is sold or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss existing in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in the income statement. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in equity is immediately transferred to the income statement.

4. ACCOUNTING POLICIES – CONTINUED

(h) Financial guarantee contracts

Financial guarantee contracts are recognised as a financial liability at the time the guarantee is issued. The liability is initially measured at fair value and subsequently at the higher of:

- the amount determined in accordance with the expected credit loss model (refer to trade receivables policy (f)); and
- the amount initially recognised less, where appropriate, the cumulative amount of income recognised in accordance with our revenue recognition policy.

The fair value of financial guarantees is determined based on the present value of the difference in cash flows between the contractual payments required under the debt instrument and the payments that would be required without the guarantee, or the estimated amount that would be payable to a third party for assuming the obligations.

(i) Share capital

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

(j) Ordinary share interest

Ordinary share interest reflects distributions on the ordinary shares, and are recognised as a liability of the Society when approved by the Society's members.

(k) Tax

The tax expense for the financial year comprises current and deferred tax. Tax is recognised in the income statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity, in which case the tax is also recognised in other comprehensive income or directly in equity respectively.

Current tax

Current tax is calculated on the basis of tax laws enacted or substantially enacted at the balance sheet date in countries where the Group operates and generates taxable income, taking into account adjustments relating to prior years. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax legislation is subject to interpretation and establishes provision, where appropriate, on the basis of amounts expected to be paid to the tax authorities.

Deferred tax

Deferred tax is provided using the liability method on temporary differences arising on the reporting date between the tax bases of assets and liabilities and their carrying amount in the financial statements. Deferred tax is determined using tax rates and laws enacted or substantively enacted by the reporting date.

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred tax is provided on temporary differences arising on investments except where the timing of the reversal of the temporary difference can be controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax is not recognised for temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and at the time of the transaction (i) affects neither accounting nor taxable profit or loss and (ii) does not give rise to equal taxable and deductible temporary differences.The Group applies the IAS 12 exception to recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes.

4. ACCOUNTING POLICIES – CONTINUED

(l) Retirement benefit obligation

The Group operates various pension plans. The plans are funded through payments to trustee-administered funds. The Group has both defined contribution and defined benefit plans.

Defined contribution pension

A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. The Group has no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior years. The contributions are recognised as an employee benefit expense in the income statement when they are due.

Defined benefit plans

Defined benefit plans define an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation. The asset/(liability) recognised in the balance sheet in respect of defined benefit pension plans is the present value of the defined benefit obligation at the reporting date less the fair value of the plan assets.

The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension obligation.

The fair value of plan assets is based on market price information and in the case of quoted securities in active markets it is the published bid price. Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the year in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet. Remeasurements are not reclassified to the income statement in subsequent years.

A curtailment arises when the Group significantly reduces the number of employees or employee entitlements covered by a plan. A past service cost may be either a loss (when benefits are introduced or changed so that the present value of the defined benefit obligation increases) or a gain (when benefits are withdrawn or changed so that the present value of the defined benefit obligation decreases).

A settlement occurs when an entity enters into a transaction that eliminates all further legal or constructive obligation for part or all of the benefits provided under a defined benefit plan (other than a payment of benefits to, or on behalf of, employees in accordance with the terms of the plan and included in the actuarial assumptions). The gain or loss on a settlement is the difference between:
(i) the present value of the defined benefit obligation being settled, as determined on the date of settlement; and
(ii) the settlement price, including any plan assets transferred and any payments made directly by the entity in connection with the settlement.
The deferred tax impact of pension plan obligations is disclosed separately within deferred tax.

(m) Provisions

Provisions are recognised when the Group has a constructive or legal obligation as a result of past events, when it is more likely than not that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated. Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in a provision due to the passage of time is recognised as an interest expense.

4. ACCOUNTING POLICIES – CONTINUED

(m) Provisions - continued

A contingent liability is not recognised but is disclosed where the existence of the obligation will only be confirmed by future events or where it is not probable that an outflow of resources will be required to settle the obligation or where the amount of the obligation cannot be measured with reasonable reliability. Contingent assets are not recognised but are disclosed where an inflow of economic benefits is probable.

(n) Government grants

Government grants are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions. Government grants relating to costs are deferred and recognised in the income statement over the period necessary to match them with the costs they are intended to compensate. Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities and are credited to the income statement on a straight line basis over the expected lives of the related assets. Research and development taxation credits are recognised at their fair value in operating profit where there is reasonable assurance that the credit will be received.

(o) Leases

Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the initial amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. The recognised right-of-use assets are generally depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term. If the Group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Lease liability

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating a lease, if the lease term reflects the Group exercising the option to terminate. The variable lease payments that do not depend on an index or a rate are recognised as an expense in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses the incremental borrowing rate ('IBR') at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification that is not accounted for as a separate lease, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset. For leases of plant and equipment, and motor vehicles for which the Group is a lessee, it has elected not to separate lease and non-lease components, and instead account for these as a single lease component.

4. ACCOUNTING POLICIES – CONTINUED

(o) Leases - continued

Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option. It also applies the lease of low-value assets recognition exemption to leases of assets that are considered of low value. Lease payments on short-term leases and leases of low-value assets are recognised as an expense on a straight-line basis over the lease term.

(p) Foreign currency translation

Functional and presentation currency

Items included in the financial statements of each of the Group's subsidiaries, joint ventures and associates are measured using the currency of the primary economic environment in which the entity operates (the functional currency). The consolidated financial statements are presented in euro, which is the Society's functional currency and the Group's presentation currency.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the date of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions are recognised in the income statement, except when deferred in equity as qualifying cashflow hedges or net investment hedges. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the reporting date. Currency translation differences on monetary assets and liabilities are taken to the income statement, except when deferred in equity in the currency translation reserve as qualifying cash flow hedges.

Subsidiaries, joint ventures and associates

The income statement and balance sheet of subsidiaries, joint ventures and associates that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities at each reporting date are translated at the closing rate at the reporting date of the balance sheet;
- income and expenses in the income statement and statement of comprehensive income are translated at average exchange rates for the year unless exchange rates fluctuate significantly during the year, in which case the exchange rates at the date of transactions are used; and
- all resulting exchange differences are recognised in other comprehensive income.

Resulting exchange differences are taken to a separate currency reserve within equity. When a foreign entity is disposed outside the Group, such exchange differences are recognised in the income statement as part of the gain or loss on disposal.

(q) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, deposits held on call with banks and other short–term highly liquid investments with original maturities of three months or less. In the balance sheet, bank overdrafts, if applicable, are included as borrowings in current liabilities.

4. ACCOUNTING POLICIES – CONTINUED

(r) Impairment of assets

Assets which have a finite useful life are subject to amortisation and reviewed for impairment when events or changes in circumstance indicate that the carrying value may not be recoverable. Goodwill is reviewed at least annually for impairment. An impairment loss is recognised to the extent that the carrying value of the assets exceeds their recoverable amount. The recoverable amount is the higher of the assets fair value less costs to sell and its value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash generating units).

(s) Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost.

(t) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying fixed assets, arising in the period prior to the asset being ready for operational use, are capitalised. Other borrowing costs are expensed.

(u) Consolidation

(i) Subsidiaries

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases. The Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair value of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interest in the acquiree on an acquisition-by-acquisition basis, either at fair value or at the non-controlling interest's proportionate share of the recognised amounts of acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred.

(ii) Entities under common control

Where the Society undertakes business combinations that are between entities under common control the appropriate accounting treatment is not dealt with under IFRS 3 "Business Combinations". Accordingly, following the guidance regarding the selection of an appropriate accounting policy provided by IAS 8 "Accounting policies, changes in accounting estimates and errors", acquisitions between entities under common control have been accounted for in these financial statements using the book-value method. Applying book-value accounting in the acquirer's consolidated financial statements means that all assets and liabilities acquired are taken into the consolidated financial statements at their existing carrying value, without any fair value adjustments. The difference between the book value of the net assets acquired and the consideration paid is not goodwill but is an adjustment to reserves. The results of the acquired entities are included in the financial statements only from the date on which the merger occurred and the comparative financial information will not be restated.

4. ACCOUNTING POLICIES – CONTINUED

(v) Associates and joint ventures

The Group's share of the results and net assets of associated companies and joint ventures is included based on the equity method of accounting. An associate is an entity over which the Group has significant influence, but not control, through participation in the financial and operating policy decisions of the investee.

A joint venture is an entity subject to joint control by the Group and other parties. Under the equity method of accounting, the Group's share of the post-acquisition profits and losses of associates and joint ventures is recognised in the income statement and its share of post-acquisition movements in reserves is recognised directly in other comprehensive income. The cumulative post acquisition movements are adjusted against the cost of the investment. Unrealised gains on transactions between the group and its associates and joint ventures are eliminated to the extent of the Group's interest in the associate or joint venture. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. While the Group's share of losses in an associate or joint venture equals or exceeds its interest in the associate or joint venture, the Group does not recognise further losses, unless the Group has incurred obligations or made payments on behalf of the associate or joint venture.

(w) Other long-term employee benefits

The Group operates a share-based payment plan which may be offered to Executive directors and certain senior managers. The plan is accounted for as an other long-term employee benefit under IAS 19 "Employee Benefits".

Participants are granted cash that are not expected to be settled within 12 months after the end of the reporting year. The impact of discounting the deferred cash incentive is not expected to be material. Historically, the long-term incentive plan would also have awarded shares in Glanbia plc to participants. The charge to the income statement in respect of these legacy shares is based on the fair value of the equity instruments expected to vest and is spread over the performance year. At each reporting date, the Group revises its estimates of the number of awards that are expected to vest. The charge to the income statement is reversed where awards do not vest because performance conditions have not been met or where, subject to the rules of the plan, an employee in receipt of share awards leaves service before the end of the vesting period.

(x) Non–controlling interests

Non-controlling interests represent the portion of the equity of a subsidiary not attributable either directly or indirectly to the Society and are presented separately in the Group income statement and within equity in the Group balance sheet, distinguished from Shareholders' equity attributable to owners of the Society.

(y) Exceptional items

The Group highlights significant items within the Group results for the year as exceptional items. Such items may include impairment of assets, including significant adjustments arising from the re-assessment of asset lives, adjustments to contingent consideration, significant acquisition integration costs, gains/losses related to and/or associated with step acquisitions, restructuring costs including termination benefits, profit or loss on disposal or termination of operations, significant reorganisation programmes that may span over a reporting period or periods, significant acquisition costs, litigation settlements, legislative changes, gains or losses on defined benefit pension plan restructuring, external events including disasters relating to weather, pandemics, wars and other acts of God and natural disasters and profit or loss on disposal of investments. Judgement is used by the Group in assessing the particular items which by virtue of their scale and/or nature should be disclosed in the income statement and noted as exceptional items.

4. ACCOUNTING POLICIES – CONTINUED

(z) Segment reporting

The segments reported in note 5 reflect the Group's organisation structure and the nature of the information reported to the Chief Operating Decision Maker ("CODM") who is identified as the Board of Directors.

In identifying the Group's operating segments, management considered the following principal factors:

- the Group's organisational structure, namely the Society's investment in Tirlán Limited and Glanbia plc;
- how the CODM assesses the performance of a component and allocates the resources of the Society;
- how financial information is reported to the CODM;
- existence of managers responsible for the components;
- the nature of the component business activities (refer to note 5 for details); and
- the degree of similarity of products and services, and production processes.

Inter-segment revenue is determined on an arm's-length basis. Where a material dependency or concentration on an individual customer would warrant disclosure, this is disclosed in note 5.

(aa) Business combinations

The Group uses the acquisition method of accounting to account for business combinations. The acquisition date is defined as the date the Group gained control of the entity. The cost of the acquisition is measured at the aggregate of the fair value of the consideration given.

Upon acquisition, the Group assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date except for deferred tax assets or liabilities and assets or liabilities related to employee benefit arrangements which are recognised and measured in accordance with "IAS 12 Income Taxes" and "IAS 19 Employee Benefits" respectively. The fair value of the assets and liabilities are based on valuations using assumptions deemed by management to be appropriate. Professional valuers are engaged when it is deemed appropriate to do so.

Goodwill represents the excess of the aggregate of the consideration transferred and the amount of any non-controlling interest in the acquired entity over the net identifiable assets acquired. If this is less than the fair value of the net assets of the subsidiary acquired, in the case of a bargain purchase, the difference is recognised directly in the income statement.

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 acquired and liabilities assumed 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.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration will be recognised in accordance with IFRS 9.

Acquisition-related costs are expensed as incurred in the income statement. On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets.

When a business combination is achieved in stages i.e. step acquisition, the Group's previously held interests in the acquired entity are remeasured to its fair value on the date of acquisition and the resulting gain or loss, if any, is recognised in the income statement. The Group may also reclassify any movements previously recognised in other comprehensive income to the income statement.

4. ACCOUNTING POLICIES – CONTINUED

(ab) Exchangeable bond

The exchangeable bond (note 28) includes a cash settlement option whereby the Society may deliver either a fixed number of shares to the holder or an amount of cash equal to the market value of the fixed number of shares on the date of conversion. This convertible bond option is accounted for as a derivative liability (note 29). The convertible debt is a hybrid instrument containing a host debt contract and a convertible option component (written call option over Glanbia plc shares). The conversion option element is measured at fair value with changes in fair value recognised in profit or loss. The host bond is initially recognised at fair value and subsequently at amortised cost (note 28).

(ac) Distributions to Society members

Pursuant to rule 98 of the Society, the Board may distribute part of the reserves of the Society to members based on their shareholding or trading with the Society. Such distributions can include rebates, bonus issues of shares or loan stock, share buy backs and interest free support. These distributions are recorded in retained earnings as distributions to members when approved by the Society's members.

5. SEGMENTS

The Group has one reportable segment, Tirlán Limited. Tirlán Limited is the largest milk processor in Ireland producing a range of value added dairy ingredients and consumer products. Tirlán Limited is also a large scale seller of animal nutrition and fertiliser as well as having a chain of agricultural retail outlets in Ireland.

This segment aligns with the Group's internal financial reporting system and the way in which the Chief Operating Decision Maker ('CODM') assesses performance and allocates the Group's resources. Each segment is reviewed in its totality by the CODM. The board of Tirlán Co-operative Society Limited assesses the trading performance of operating segments based on profit after tax.

"Other" includes the results of the Society, consolidation adjustments and the Group's share of the results of its associates and joint ventures including Glanbia plc. These entities did not meet the quantitative thresholds for reportable segments in 2024 or 2023.

Segment results are as follows:

	Tirlán Limited	Other	Total Group
2024	**€'m**	**€'m**	**€'m**
Total gross segment revenue	**2,662.9**	**-**	**2,662.9**
Inter-segment revenue	**-**	**-**	**-**
Revenue	**2,662.9**	**-**	**2,662.9**
Profit after taxation	**32.0**	**47.6**	**79.6**

	Tirlán Limited	Other	Total Group
2023	**€'m**	**€'m**	**€'m**
Total gross segment revenue	2,543.7	-	2,543.7
Inter-segment revenue	-	-	-
Revenue	2,543.7	-	2,543.7
	-	-	-
Profit after taxation	39.7	71.1	110.8

Revenue of approximately €380.7 million (2023: €298.6m) is derived from one external customer within the Tirlán Limited segment.

5. SEGMENTS – CONTINUED

Other pre-exceptional segment information is as follows:

2024	Tirlán Limited €'m	Other €'m	Total Group €'m
Depreciation and impairment of PPE & right-of-use assets	**55.0**	**0.1**	**55.1**
Amortisation and impairment of intangibles	**4.0**	**-**	**4.0**
Capital expenditure – additions	**62.8**	**-**	**62.8**
Finance income	**(0.5)**	**(16.0)**	**(16.5)**
Finance costs	**21.7**	**3.9**	**25.6**
Exceptional items	**7.4**	**-**	**7.4**
Share of profit of joint ventures and associates	**(3.4)**	**(43.6)**	**(47.0)**
Income taxes	**5.3**	**-**	**5.3**

2023	Tirlán Limited €'m	Other €'m	Total Group €'m
Depreciation and impairment of PPE & right-of-use assets	52.7	0.2	52.9
Amortisation and impairment of intangibles	3.4	0.1	3.5
Capital expenditure – additions	53.6	-	53.6
Finance income	(0.2)	-	(0.2)
Finance costs	21.6	12.3	33.9
Exceptional items	(1.9)	-	(1.9)
Share of profit of joint ventures and associates	(0.5)	(89.6)	(90.1)
Income taxes	5.2	(0.3)	4.9

The segment assets and liabilities are as follows:

2024	Tirlán Limited €'m	Other €'m	Total Group €'m
Segment assets	**1,602.7**	**855.5**	**2,458.2**
Segment liabilities	**836.9**	**266.3**	**1,103.2**

2023	Tirlán Limited €'m	Other €'m	Total Group €'m
Segment assets	1,527.8	833.4	2,361.2
Segment liabilities	805.8	278.8	1,084.6

5. SEGMENTS – CONTINUED

Geographical Information

Revenue

Revenue from external customers is allocated to geographical areas based on the place of delivery or collection of the products sold as agreed with customers as opposed to the end use market where the product may be consumed.

2024	Tirlán Limited €'m	Other €'m	Total Group €'m
Ireland (country of domicile)	**1,595.4**	**-**	**1,595.4**
UK	**200.5**	**-**	**200.5**
Rest of Europe	**442.0**	**-**	**442.0**
Africa	**152.3**	**-**	**152.3**
USA	**67.5**	**-**	**67.5**
Others	**205.2**	**-**	**205.2**
	2,662.9	**-**	**2,662.9**

2023	Tirlán Limited €'m	Other €'m	Total Group €'m
Ireland (country of domicile)	1,383.2	-	1,383.2
UK	215.7	-	215.7
Rest of Europe	503.1	-	503.1
Africa	106.3	-	106.3
USA	76.9	-	76.9
Others	258.5	-	258.5
	2,543.7	-	2,543.7

Non-current assets

The total of non-current assets, other than financial instruments, deferred tax assets, and retirement benefit assets attributable to the country of domicile and all foreign countries of operation for which non-current assets exceed 10% of total Group non-current assets are set out below.

	2024 €'m	2023 €'m
Ireland (country of domicile)	**1,731.3**	1,698.9
	1,731.4	1,698.9

Disaggregation of revenue

Revenue is disaggregated based on the key geographical markets in which the Group operates (see table above within Geographical Information), type of activity and the timing of revenue recognition.

2024	Tirlán Limited €'m	Other €'m	Total Group €'m
Products transferred at point in time	**2,662.9**	**-**	**2,662.9**
Products transferred over time	**-**	**-**	**-**
Total	**2,662.9**	**-**	**2,662.9**

5. SEGMENTS – CONTINUED

2023	Tirlán Limited €'m	Other €'m	Total Group €'m
Products transferred at point in time	2,543.7	-	2,543.7
Products transferred over time	-	-	-
Total	2,543.7	-	2,543.7

2024	**Tirlán Limited €'m**	**Other €'m**	**Total Group €'m**
Sale of dairy and consumer products	**2,161.1**	**-**	**2,161.1**
Sale of animal feed and fertiliser products	**501.8**	**-**	**501.8**
Total	**2,662.9**	**-**	**2,662.9**

2023	**Tirlán Limited €'m**	**Other €'m**	**Total Group €'m**
Sale of dairy and consumer products	2,000.6	-	2,000.6
Sale of animal feed and fertiliser products	543.1	-	543.1
Total	2,543.7	-	2,543.7

6. OPERATING PROFIT

	Notes	**2024 €'m**	**2023 €'m**
Operating profit is stated after charging/(crediting):			
Depreciation of property, plant and equipment	12	46.6	45.2
Depreciation of right-of-use assets	13	8.5	7.7
Amortisation of intangible assets	14	4.0	3.5
Amortisation of grants	33	(2.9)	(2.2)
Research and development costs		7.9	7.6
Write down/(up) of inventory recognised as expense/(income)		0.1	(25.9)
Cost of inventories recognised as an expense in cost of sales		2,023.9	1,909.4
Net foreign exchange gain		(0.2)	(0.1)
Loss on disposal of property, plant and equipment		0.2	0.4

7. EMPLOYEES – GROUP AND COMPANY

The average monthly number of persons employed during the financial year analysed by category, was as follows:

	2024 Number	2023 Number
Production	**1,311**	1,313
Sales and Marketing	**621**	628
Administration	**419**	381
	2,351	2,322

The number of persons employed at 4 January 2025 was 2,212 (2023: 2,232).

The aggregate payroll cost of these employees was as follows:

	2024 €'m	2023 €'m
Wages and salaries	**165.2**	142.4
Social security costs	**16.1**	15.6
Pension costs – defined benefit schemes (note 19)	**2.4**	3.7
Pension costs – defined contribution schemes (note 19)	**2.5**	2.6
	186.2	164.3
Analysed as follows:		
Expensed to profit or loss	**177.2**	163.3
Expensed to profit or loss – exceptional items	**8.4**	-
Capitalised	**0.6**	1.0
	186.2	164.3

8. FINANCE INCOME AND COSTS

Finance income	2024 €'m	2023 €'m
Interest income	(0.6)	(0.2)
Remeasurement of convertible bond option	(15.9)	-
	(16.5)	(0.2)
Finance costs		
Finance cost of bond	5.4	5.4
Remeasurement of convertible bond option	-	8.9
Bank loans and overdrafts	16.8	17.3
Other loans	1.2	0.6
Commitment and arrangement fees	2.2	1.7
	25.6	33.9
Net finance costs	**9.1**	33.7

Finance income includes interest on loans to joint ventures of €0.2 million (2023: €0.1 million) (note 38).

8. FINANCE INCOME AND COSTS – CONTINUED

Net finance costs excludes borrowing costs of €nil million (2023: €0.1 million) attributable to construction or production of qualifying assets, which have been capitalised, as disclosed in note 12.

Borrowing costs included in the cost of qualifying assets during the year arose on the general borrowing pool and are calculated by applying a capitalisation rate of 5.0% (2023: 4.9%) to expenditure on such assets.

9. EXCEPTIONAL ITEMS

	Notes	2024 €'m	2023 €'m
Milk Supply Voluntary Retirement scheme	(a)	**(2.1)**	(1.9)
Cost reduction programme	(b)	**9.5**	-
Total exceptional charge		**7.4**	(1.9)

(a) The Milk Supply Voluntary Retirement Scheme relates to costs associated with supporting retiring milk suppliers exit milk supply as part of peak milk supply management. The income in 2023 and 2024 relates to deduction from continuing suppliers net of the unwinding of the discount on the related provision (note 32).

(b) Cost reduction programme relates to a group wide cost reduction programme. Costs incurred to date include people costs (€8.4 million) and implementation costs (€1.1 million).

10. INCOME TAXES

	2024 €'m	2023 €'m
Current tax charge	**4.0**	2.6
Current tax adjustments in respect of prior years	**-**	0.4
Deferred tax charge	**1.4**	2.4
Deferred tax adjustments in respect of prior years	**(0.1)**	(0.5)
Total income taxes charge	**5.3**	4.9

The tax credit on exceptional items included in the above amounts is as follows:

	2024 €'m	2023 €'m
Current tax credit on exceptional items	**(0.9)**	(0.2)
Total tax credit on exceptional items	**(0.9)**	(0.2)

10. INCOME TAXES – CONTINUED

The tax on the Group's profit before tax differs from the theoretical amount that would arise applying the corporation tax rate in Ireland, as follows:

	2024 €'m	2023 €'m
Profit before tax	**84.9**	115.7
Income tax calculated at Irish rate of 12.5% (2023: 12.5%)	**10.6**	14.5
Earnings at higher Irish rates	**-**	0.3
Difference in tax rates on overseas earnings	**0.5**	0.5
Adjustment to tax charge in respect of previous years	**(0.1)**	(0.1)
Tax on share of profits of joint ventures and associates included in profit before tax	**(5.9)**	(11.3)
Other reconciling items	**0.2**	1.0
Total tax charge for the financial year	**5.3**	4.9

Details of deferred tax charged or credited directly to other comprehensive income during the year are outlined in note 30.

Factors that may affect future tax charges and other disclosure requirements

The IASB amended the scope of IAS 12 to clarify that the Standard applies to income taxes arising from tax law enacted or substantively enacted to implement the Pillar Two model rules published by the OECD, including tax law that implements qualified domestic minimum top-up taxes described in those rules. The amendments introduce a temporary exception to the accounting requirements for deferred taxes in IAS 12, so that an entity would neither recognise nor disclose information about deferred tax assets and liabilities related to Pillar Two income taxes. Accordingly, the Group neither recognises nor discloses information about deferred tax assets and liabilities related to Pillar Two income taxes.

On 18 December 2023, Irish tax legislation enacted the Pillar Two income taxes legislation to take effect from 1 January 2024. The rules did not have a material impact on the tax position of the Group in 2024.

The total tax charge in future periods will be affected by any changes to the applicable tax rates in force in jurisdictions in which the Group operates and other relevant charges in tax legislation. The total tax charge of the Group may also be influenced by the effects of corporate development activity.

11. ORDINARY SHARE INTEREST AND APPROPRIATIONS

	Notes	2024 €'m	2023 €'m
Ordinary share interest to Society shareholders	(a)	**7.1**	6.5
Distribution to Society shareholders – rebates		**0.1**	0.1
Distribution to Society shareholders – member supports	(b)	**14.4**	29.2
		21.6	35.8

(a) Ordinary share interest paid in 2024 was 20.96 cent per share on 34.0 million shares (2023: 19.058 cent per share on 34.0 million shares).

(b) Details of the member supports are as follows:

During 2021, at a Special General Meeting (SGM) of the Society, members of the Society approved the establishment of the 2022 Member Distribution Reserve from the aggregate income of the Society which can be allocated to Society members holding €1 in share capital of the Society and who at the time of the allocation supply milk, green grain or dried grain or purchase fertiliser, feed or engage in trade of any other nature with any member of the Society Group. The Board has sole discretion in respect of any decision to make such allocations.

During 2023 and 2024, in accordance with the terms of the 2022 Member Distribution Reserve and pursuant to rule 98 of the Society, the Board approved the below supports to members of the Society:

- three units of €1 loan stock to members for every 100 litres of milk supplied to the Society or its subsidiaries in June 2023
- two units of €1 loan stock to members for every 100 litres of milk supplied to the Society or its subsidiaries in July 2023
- three units of €1 loan stock to members for every 100 litres of milk supplied to the Society or its subsidiaries in September 2023
- one unit of €1 loan stock to members for every 100 litres of milk supplied to the Society or its subsidiaries in August 2024
- three units of €1 loan stock to members for every 100 litres of milk supplied to the Society or its subsidiaries in September 2024

The total support provided in 2024 was €13.1 million (2023: €28.5 million of which €21.7 million was allocated from the 2019 SGM approved patronage rebate fund and €6.8 million was allocated from the 2022 Member Distribution Reserve).

A term of the administration of the 2022 Member Distribution Reserve is that to the extent that an allocation to active Members is based solely on supply or purchasing activity or a combination of such activities, the Board shall in each financial year make a further allocation to all Members who hold Ordinary Shares of €1 each in the capital of the Society in an amount no less than one tenth of the aggregate allocation made solely to active Members in that same financial year. Accordingly, for 2024 a further allocation of €1.3 million (2023: €0.7 million) was accrued at 4 January 2025. This will be allocated to members in the form of units of €1 loan stock during 2025.

12. PROPERTY, PLANT AND EQUIPMENT

	Land and buildings €'m	Motor Vehicles €'m	Plant and equipment €'m	Total €'m
Cost				
Balance at 31 December 2022	381.9	3.0	887.3	1,272.2
Additions	8.7	0.3	33.4	42.4
Reclassification	-	-	(2.9)	(2.9)
Disposals	(0.4)	(0.3)	(1.3)	(2.0)
Balance at 30 December 2023	**390.2**	**3.0**	**916.5**	**1,309.7**
Additions	**14.7**	**0.2**	**35.3**	**50.2**
Disposals	**(1.0)**	**(0.1)**	**(1.8)**	**(2.9)**
Balance at 4 January 2025	**403.9**	**3.1**	**950.0**	**1,357.0**
Accumulated depreciation				
Balance at 31 December 2022	94.9	2.0	422.1	519.0
Charge for the financial year	8.7	0.2	36.3	45.2
Disposals	(0.2)	(0.2)	(0.9)	(1.3)
Balance at 30 December 2023	**103.4**	**2.0**	**457.5**	**562.9**
Charge for the financial year	**8.9**	**0.2**	**37.5**	**46.6**
Disposals	**(0.8)**	**(0.1)**	**(1.2)**	**(2.1)**
Balance at 4 January 2025	**111.5**	**2.1**	**493.8**	**607.4**
Carrying amount at 31 December 2022	287.0	1.0	465.2	753.2
Carrying amount at 30 December 2023	286.8	1.0	459.0	746.8
Carrying amount at 4 January 2025	**292.4**	**1.0**	**456.2**	**749.6**

Included in the cost of property, plant and equipment is an amount of €29.2 million (2023: €16.5 million) incurred in respect of assets under construction.

Capitalised borrowings costs of €nil million (2023: €0.1 million) have been included in the additions for the year. See note 8 for further details.

Capitalised employee costs of €0.6 million (2023: €1.0 million) have been included in the additions for the year. See note 7 for further details.

13. LEASES

(a) Right-of-use assets

	Land and buildings €'m	Motor Vehicles €'m	Plant and equipment €'m	Total €'m
Cost				
Balance at 31 December 2022	30.4	4.8	20.2	55.4
Additions	2.5	2.0	1.4	5.9
Modifications	7.6	-	-	7.6
Reclassifications	(2.2)	-	-	(2.2)
Disposals	(0.4)	(0.2)	-	(0.6)
Balance at 30 December 2023	**37.9**	**6.6**	**21.6**	**66.1**
Additions	**4.6**	**2.5**	**1.7**	**8.8**
Modifications	**4.6**	**-**	**-**	**4.6**
Reclassifications	**0.1**	**(0.1)**	**0.1**	**0.1**
Disposals	**(0.6)**	**(0.6)**	**-**	**(1.2)**
Balance at 4 January 2025	**46.6**	**8.4**	**23.4**	**78.4**
Accumulated depreciation				
Balance at 31 December 2022	10.2	3.0	5.6	18.8
Depreciation	3.7	1.1	2.9	7.7
Disposals	(0.1)	(0.2)	-	(0.3)
Balance at 30 December 2023	**13.8**	**3.9**	**8.5**	**26.2**
Depreciation	**3.9**	**1.7**	**2.9**	**8.5**
Reclassifications	**(0.1)**	**-**	**0.2**	**0.1**
Disposals	**(0.6)**	**(0.4)**	**-**	**(1.0)**
Balance at 4 January 2025	**17.0**	**5.2**	**11.6**	**33.8**
Carrying amount at 31 December 2022	20.2	1.8	14.6	36.6
Carrying amount at 30 December 2023	24.1	2.7	13.1	39.9
Carrying amount at 4 January 2025	**29.6**	**3.2**	**11.8**	**44.6**

(b) Lease liabilities

	2024 €'m	2023 €'m
Lease liability at the beginning of the year	**40.5**	36.1
Additions	**7.4**	5.4
Lease term modifications	**3.7**	7.6
Reclassification	**-**	(1.7)
Payments	**(8.9)**	(7.4)
Lease interest	**1.2**	0.5
Lease liability at the end of the year	**43.9**	**40.5**

13. LEASES - CONTINUED

An analysis of the maturity profile of the discounted lease liabilities arising from the Group's leasing activities at the end of the reporting period is as follows:

	2024 €'m	2023 €'m
Within 1 year	**6.4**	6.4
1-2 years	**6.0**	5.7
2-5 years	**14.9**	11.8
More than 5 years	**16.6**	16.6
Total	**43.9**	40.5

	2024 €'m	2023 €'m
Analysed as:		
Current liabilities	**6.4**	6.4
Non current liabilities	**37.5**	34.1
Total	**43.9**	40.5

The Group avails of the exemption from capitalising lease costs for short-term leases and low-value assets where the relevant criteria are met. Variable lease payments directly linked to sales or usage are also expensed as incurred. The following lease costs have been charged to the Group income statement as incurred:

	2024 €'m	2023 €'m
Short term leases	**1.8**	2.1
Total	**1.8**	2.1

Lease commitments for short-term leases are similar to the portfolio of short-term leases for which the costs, as above, were expensed to the Group income statement. The effect of excluding future cash outflows arising from variable lease payments, termination options, residual value guarantees and leases not yet commenced from lease liabilities was not material for the Group.

The Group leases several assets including buildings, plant and IT equipment. The average lease term is 18 years (2023: 13 years). There is no income from subleasing and gains/losses on sale and leaseback transactions.

14. INTANGIBLE ASSETS

	Goodwill €'m	Software and Development costs €'m	Brands €'m	Utility connection €'m	Total €'m
Cost					
Balance at 31 December 2022	133.3	51.3	26.8	4.6	216.0
Additions	-	5.3	-	-	5.3
Reclassification	-	2.9	-	-	2.9
Balance at 30 December 2023	**133.3**	**59.5**	**26.8**	**4.6**	**224.2**
Additions	**-**	**3.7**	**-**	**0.1**	**3.8**
Reclassification	**-**	**(5.5)**	**-**	**-**	**(5.5)**
Balance at 4 January 2025	**133.3**	**57.7**	**26.8**	**4.7**	**222.5**
Accumulated amortisation					
Balance at 31 December 2022	133.3	44.6	1.0	0.9	179.8
Charge for the financial year	-	2.0	1.3	0.2	3.5
Balance at 30 December 2023	**133.3**	**46.6**	**2.3**	**1.1**	**183.3**
Charge for the financial year	**-**	**2.4**	**1.4**	**0.2**	**4.0**
Reclassification	**-**	**(5.5)**	**-**	**-**	**(5.5)**
Balance at 4 January 2025	**133.3**	**43.5**	**3.7**	**1.3**	**181.8**
Carrying amount at 31 December 2022	-	6.7	25.8	3.7	36.2
Carrying amount at 30 December 2023	-	12.9	24.5	3.5	40.9
Carrying amount at 4 January 2025	**-**	**14.2**	**23.1**	**3.4**	**40.7**

The remaining average amortisation period for software costs is 6 years (2023: 5 years). Utility connection represents the cost of providing gas and electricity to the processing plants at Belview, Co. Kilkenny and Rocklands, Wexford. Approximately €2.9 million of software additions during the year (2023: €3.9 million) were internally generated. Included in the cost of software is an amount of €1.3 million (2023: €2.9m) incurred in respect of assets under construction.

Brands acquired in the Tirlán Limited step acquisition have a carrying amount of €23.1 million (2023: €24.5 million) and average remaining amortisation year of 17 years (2023: 18 years).

Impairment test of goodwill

The goodwill arising from the step acquisition in 2022 was attributable to Tirlán Limited cash generating unit ("CGU"). This goodwill was fully impaired in 2022.

Impairment test of intangible assets

The Group assesses whether there is an indication that an intangible asset may be impaired. In 2024, such an assessment did not give rise to an impairment charge (2023: nil).

15. FINANCIAL ASSETS

	2024 €'m	2023 €'m
Ornua Co-operative Limited	**0.4**	0.4
Ornue Co-operative Limited - convertible loan stock	**1.0**	1.5
Other investments	**1.8**	1.7
Total investments	**3.2**	3.6
At the beginning of the financial year	**3.6**	4.5
Additions	**-**	0.3
Disposals	**(0.5)**	(1.5)
Discounting	**0.1**	0.1
Change in valuation	**-**	0.2
At the end of the financial year	**3.2**	3.6

16. INVESTMENTS IN SUBSIDIARIES

Details of the principal subsidiaries as at 4 January 2025 are as follows:

Ireland	**Registered office**	**Principal activity**	**Beneficial Interest %**
Tirlán Services Society Limited	Abbey Quarter, Kilkenny, Ireland, R95 DXR1	Investment holding	100
Quinport Limited	Abbey Quarter, Kilkenny, Ireland, R95 DXR1	Investment holding	100
Robinfield Co-operative Society Limited	Abbey Quarter, Kilkenny, Ireland, R95 DXR1	Investment holding	100
Slademore Limited	Abbey Quarter, Kilkenny, Ireland, R95 DXR1	Investment holding	100
Tirlán Limited	Abbey Quarter, Kilkenny, Ireland, R95 DXR1	Milk products, consumer goods and agri trading	100
Tirlán Treasury DAC	Abbey Quarter, Kilkenny, Ireland, R95 DXR1	Financial services activity	100
South Eastern Cattle Breeding Society Limited	Dovea, Thurles, Co. Tipperary	Cattle breeding	61
Tirlán Support Services Limited	Abbey Quarter, Kilkenny, Ireland, R95 DXR1	Dairy products	100
D. Walsh & Sons Limited	Palmerstown, Kilkenny	Grain and fertilisers	60
Grasslands Fertilizers (Kilkenny) Limited	Palmerstown, Kilkenny	Fertilisers	73
Britain and Northern Ireland			
Tirlán Animal Nutrition Limited	2 North Park Road, Harrogate, England HG1 5PA	Animal feed distribution	100
Kilmeaden Foods NI Limited	The Ewart, 3 Bedford Square Belfast, Northern Ireland BT72 7EP	Consumer food distribution	100
Germany			
Tirlán Gmbh	Gewerbestrasse 3, 78359, Orsingen-Nenzingen	Marketing and support services	100
United States			
Tirlán Services, Inc	3411 Silverside Road, Tatnall Building 104, Wilmington, New Castle County, DE19810	Marketing and support services	100
China			
Tirlán Trading (Shanghai) Company Limited	Unit 2921-38, 29th Floor, Shanghai Central Plaza, No. 381 Huaihai Middle Road, Huangpu District, Shanghai, China	Consumer food distribution	100

All beneficial interests are in the form of ordinary shares.

17. INVESTMENTS IN JOINT VENTURES

	2024 €'m	2023 €'m
Corman Miloko Ireland Limited – note (b)	-	-
Malting Company of Ireland	4.3	3.9
South East Port Services Limited	10.7	10.0
Kilkenny Cheese Holdings Limited	30.3	29.3
Total joint ventures	**45.3**	43.2

	2024 €'m	2023 €'m
At the beginning of the financial year	43.2	36.3
Share of profit after tax	3.8	1.1
(Decrease)/increase in investment	(0.1)	0.7
Dividend received	(0.3)	(0.1)
Additions (note (a))	-	5.2
Fair value movements on cash flow hedges, net of deferred tax	(1.3)	-
At the end of the financial year	**45.3**	43.2

Details of the joint ventures at the financial year end are as follows:

Incorporated and operating in Ireland	Registered office	Principal activity	Beneficial interest %
Corman Miloko Ireland Limited (note (b))	Ballyconra, Ballyragget, Kilkenny	Butter oil and dairy spreads production	45
Malting Company of Ireland Limited	The Maltings, South Link, Togher, Cork	Malting	50
South East Port Services Limited (note (c))	Palmerstown, Kilkenny	Port services	49
Kilkenny Cheese Holdings Limited	Abbey Quarter, Kilkenny, R95 DXR1	Cheese production	50

(a) In 2023, the Group invested an additional €5.2 million in Kilkenny Cheese Holdings Limited.

(b) The Group holds 45% of the share capital of Corman Miloko Ireland Limited but this entity is considered to be a Joint Venture as the Group has equal representation on the Board of Directors who direct the relevant activities of the business.
On 20 January 2023, the Group announced its decision to close the Corman Miloko Facility at Carrick-on-Suir, Co. Tipperary. On this basis, in 2022 the investment was fully impaired. As a result, the Group has ceased recognising its share of losses of Corman Miloko Ireland Limited. The Group's unrecognised share of losses as at 4 January 2025 is €2.3 million (2023: €2.2 million).

(c) The Group holds 49% of the share capital of South East Port Services Limited but this entity is considered to be a Joint Venture as the Group has equal representation on the Board of Directors who direct the relevant activities of the business.

(d) All beneficial interests are in the form of ordinary shares.

18. INVESTMENTS IN ASSOCIATES

	2024 €'m	2023 €'m
Glanbia plc	**850.2**	826.6
Co-operative Animal Health Limited	**1.0**	1.5
Total associates	**851.2**	828.1

	2024 €'m	2023 €'m
At the beginning of the financial year	**828.1**	809.3
Share of profit after tax (note (a))	**43.2**	89.0
Gain/(loss) recognised through equity net of deferred tax	**7.8**	(44.9)
Dividends received	**(27.9)**	(25.3)
At the end of the financial year	**851.2**	828.1

a) Share of profit after tax includes exceptional costs recorded by associates in 2024 of €39.0 million primarily relating to the impairment of non-core assets held for sale, impairment of intangible assets aswell as costs relating to a group-wide transformation programme in Glanbia plc. In the prior year, €11.9 million exceptional income was included in share of profit after tax related to the net gains on disposal of two joint venture operations and a bottling facility by Glanbia plc, net of pension restructuring and portfolio related reorganisation costs.

The Group holds ordinary shares in Glanbia plc. The quoted fair value of the shares in Glanbia plc at the end of the reporting year was €1.1 billion (2023: €1.1 billion). There are no contingent liabilities relating to the Group's interests in its associates.

Details of the associates as at 4 January 2025 are as follows:

Incorporated and operating in Ireland	Registered office	Principal activity	Beneficial interest %
Glanbia plc	Glanbia House, Kilkenny	Holding company	29.2
Co-Operative Animal Health Limited	Tullow, Co. Carlow	Agri chemicals	50

All beneficial interests are in the form of ordinary shares.

18. INVESTMENTS IN ASSOCIATES - CONTINUED

Set out below is the summarised financial information for Glanbia plc as it is material to the Group:

	2024 €'m	2023 €'m
Non–current assets	**2,318.1**	2,095.9
Current assets other than assets held for sale	**1,419.3**	1,342.2
Assets held for sale	**24.7**	-
Non–current liabilities	**(725.5)**	(711.3)
Current liabilities other than liabilities held for sale	**(1,015.6)**	(796.8)
Liabilities held for sale	**(8.4)**	-
Net assets (100%)	**2,012.6**	1,930.0
Net assets attributable to equity holders of the Society **	**2,012.6**	1,930.0
Reconciliation to carrying amount:		
Group's share of net assets	**587.2**	550.0
Adjustment in respect of fair value adjustments on the investment in Glanbia plc	**409.8**	409.8
Adjustment in respect of changes in Group's equity interest*	**42.8**	56.4
Adjustment in respect of disposal of shareholding	**(189.6)**	(189.6)
Carrying amount	**850.2**	826.6
Revenue	**3,550.0**	5,017.0
Profit after tax from continuing operations	**152.3**	321.5
Profit after tax from discontinued operations	**-**	(3.0)
Other comprehensive income	**(6.5)**	4.0
Total comprehensive income	**145.8**	322.5
Total comprehensive income attributable to equity holders of the Society	**145.8**	322.5
Reconciliation to the Group's share of total comprehensive income:		
Group's share of total comprehensive income	**42.5**	91.9
Adjustment in respect of changes in Group's equity interest*	**(0.8)**	(1.3)
Adjustment in respect of retranslation of results***	**39.8**	(19.2)
Group's share of total comprehensive income	**81.5**	71.4
Associate other movements:		
Dividend received	**27.9**	25.3

* There were changes in the Group's equity interest in Glanbia plc during 2024 and 2023. Accordingly the Group's equity interest at 4 January 2025 and 30 December 2023 did not reflect the Group's share of the associate's 2024 and 2023 total comprehensive income.

**The difference between the net assets and the net assets attributable to equity holders of the Society is the portion of net assets attributable to non-controlling interest.

***Glanbia plc changed its reporting currency from Euro to US dollars in 2023. As the Group's investment in the associate is denominated in Euro a retranslation reserve adjustment is required to retranslate the US dollar profits and reserves movements to Euro.

18. INVESTMENT IN ASSOCIATES – CONTINUED

The gain recognised through equity net of deferred tax is analysed as follows:

	2024 €'m	2023 €'m
OCI items that will not be reclassified subsequently to the income statement		
Remeasurements on defined benefit plans, net of deferred tax	**1.1**	0.4
OCI items that may be reclassified subsequently to the income statement		
Currency translation differences	**36.4**	(17.2)
Fair value movements on cash flow hedges, net of deferred tax	**0.4**	(1.4)
	36.8	(18.6)
Total OCI	**37.9**	(18.2)
Other equity movements		
Purchase of Glanbia plc own shares	**(25.8)**	(32.4)
Cost of share based payments	**(4.3)**	0.8
Change in fair value of equity instruments measured at FVOCI	**-**	0.1
Transfer to Group income statement*	**-**	2.6
Acquisition of non controlling interest	**-**	2.2
	(30.1)	(26.7)
Total OCI and equity movements	**7.8**	(44.9)

*On disposal of discontinued operation

19. RETIREMENT BENEFIT OBLIGATION

Defined contribution pension plans

The Group has a number of defined contribution pension plans in operation. €2.5 million (2023: €2.6 million) was recognised in the Group income statement during the year (note 7).

Defined benefit pension plans

The Group operated four defined benefit schemes in 2024. On 23 July 2024, the Group terminated its liability to contribute to one of the schemes and the trustee resolved to wind up the scheme on that date. The benefits under the scheme were fully settled by 30 November 2024 and the remaining fund paid to the Group. As a result, a settlement event occurred, leading to the derecognition of the defined benefit obligation and corresponding plan assets. In order to calculate the settlement gain/loss, the liabilities were calculated using the projected unit method based on assumptions reflecting market conditions as at 30 November 2024. The main assumptions used were a discount rate of 3.25%, inflation rate of 2.10% and salary increases of 3.35%. A settlement loss of €nil million was incurred as the present value of the defined benefit obligation settled of €1.4 million equaled the fair value of the plan assets transferred of €1.4 million. Following the settlement, the Group no longer has any obligations under the scheme.

The majority of the Group's employees are members of the three remaining schemes which provide retirement and death benefits. The details of these schemes, which are funded through separate trustee managed funds, are set out below.

19. RETIREMENT BENEFIT OBLIGATION - CONTINUED

The contributions paid to the schemes are in accordance with the advice of a professionally qualified actuary. The latest valuation reports for the schemes (which are not available for public inspection) are dated 1 January 2024. The contributions paid to the schemes in the current period are in accordance with the contribution rates recommended in the actuarial valuation reports.

The aggregate market value of the assets in respect of the three schemes at the date of the last applicable actuarial valuation was in excess of €380 million. The most recent actuarial valuation (as at 1 January 2024) shows that the schemes in aggregate are more than 100% funded in respect of the on-going liabilities. In relation to accrued on-going liabilities, based on benefits projected to normal retirement age, the aggregate value of the assets of the Schemes represented 103% of these accrued liabilities at the relevant actuarial valuation date. The Group has agreed a funding plan with the trustees in relation to the long-term funding of the schemes.

The charge in the income statement in respect of the defined benefit pension scheme cost for the financial year amounted to €2.4 million (2023: €3.7 million) which consisted of current service costs of €3.3 million (2023: €4.5 million) and a net interest income of €0.9 million (2023: net interest income €0.8 million). The remeasurement gain in the statement of other comprehensive income amounted to €19.5 million (2023: remeasurement loss of €0.1 million).

The amounts recognised in the Group balance sheet are determined as follows:

	2024	**2023**
	€'m	**€'m**
Present value of funded obligations	**(336.0)**	(358.9)
Fair value of plan assets	**380.0**	384.6
Asset in the Group balance sheet	**44.0**	25.7

The amounts recognised in the Group income statement are as follows:

	2024	**2023**
	€'m	**€'m**
Current service cost	**(3.3)**	(4.5)
Net interest income	**0.9**	0.8
Total expense - defined benefit schemes	**(2.4)**	(3.7)

The movement in the asset recognised in the Group balance sheet over the financial year is as follows:

	2024	**2023**
	€'m	**€'m**
At the beginning of the financial year	**25.7**	13.4
Total expense – defined benefit schemes	**(2.4)**	(3.7)
Remeasurements – defined benefit schemes	**19.5**	(0.1)
Contributions paid by employer	**1.2**	16.1
At the end of the financial year	**44.0**	25.7

19. RETIREMENT BENEFIT OBLIGATION – CONTINUED

The movement in obligations during the financial year is as follows:

	2024	2023
	€'m	€'m
At the beginning of the financial year	**(358.9)**	(342.0)
Current service costs	**(3.3)**	(4.5)
Interest costs	**(11.1)**	(12.3)
Remeasurements:		
- Experience gain	**(0.3)**	(2.0)
- Changes in financial assumptions	**13.4**	(16.7)
Benefits paid	**24.6**	20.4
Contributions by plan participants	**(1.8)**	(1.8)
Liabilities settled	**1.4**	-
At the end of the financial year	**(336.0)**	(358.9)

The movement in the fair value of plan assets over the financial year is as follows:

	2024	2023
	€'m	€'m
At the beginning of the financial year	**384.6**	355.4
Interest income	**12.0**	13.1
Remeasurements		
- Return on plan assets excluding amounts included in interest income	**6.4**	18.6
- Experience loss	**-**	-
Benefits paid	**(24.6)**	(20.4)
Contributions paid by employer	**1.2**	16.1
Contributions by plan participants	**1.8**	1.8
Assets settled	**(1.4)**	-
At the end of the financial year	**380.0**	384.6

The principal actuarial assumptions used are as follows:

	2024	2023
Discount rate	**3.45%**	3.20%
Inflation rate	**1.85%**	2.00%
Future salary increases	**4.00%**	3.00%

19. RETIREMENT BENEFIT OBLIGATION – CONTINUED

Plan assets relating to the Group are comprised as follows:

	Quoted 2024 €'m	Unquoted 2024 €'m	Total 2024 €'m	%	Quoted 2023 €'m	Unquoted 2023 €'m	Total 2023 €'m	%
Equities								
- Consumer	**14.9**	**-**	**14.9**	**4**	14.2	-	14.2	4
- Energy	**3.5**	**-**	**3.5**	**1**	4.6	-	4.6	1
- Financials	**12.5**	**-**	**12.5**	**3**	10.6	-	10.6	3
- Healthcare	**12.2**	**-**	**12.2**	**3**	12.2	-	12.2	3
- Industrials	**6.6**	**-**	**6.6**	**2**	6.7	-	6.7	2
- I.T.	**18.8**	**-**	**18.8**	**5**	17.3	-	17.3	4
- Materials	**2.4**	**-**	**2.4**	**1**	1.9	-	1.9	1
- Telecoms	**7.7**	**-**	**7.7**	**2**	7.9	-	7.9	2
- Utilities	**3.3**	**-**	**3.3**	**1**	1.4	-	1.4	-
- Other	**-**	**-**	**-**	**-**	0.9	-	0.9	-
Government bonds								
Eurozone	**208.8**	**-**	**208.8**	**55**	195.5	-	195.5	51
North America	**0.5**	**-**	**0.5**	**-**	-	-	-	-
Other	**3.8**	**-**	**3.8**	**1**	10.6	-	10.6	3
Corporate bonds								
- Investment Grade	**28.4**	**-**	**28.4**	**7**	26.3	-	26.3	7
- Non Investment Grade	**2.4**	**-**	**2.4**	**1**	-	-	-	-
- Cash	**0.3**	**-**	**0.3**	**-**	-	-	-	-
Property	**-**	**7.4**	**7.4**	**2**	-	8.3	8.3	2
Cash	**5.7**	**4.6**	**10.3**	**3**	3.3	5.5	8.8	2
Investment funds and other	**36.2**	**-**	**36.2**	**9**	57.4	-	57.4	15
	368.0	**12.0**	**380.0**	**100**	370.8	13.8	384.6	100

Contributions to post-employment defined benefit pension schemes are expected to be circa €2.3 million (2023: €2.5 million) in 2024.

19. RETIREMENT BENEFIT OBLIGATION – CONTINUED

Mortality rates:

Assumptions regarding future mortality are set based on actuarial advice in accordance with published statistics and experience in each territory.

The mortality assumptions imply the following life expectancies in years of an active member on retiring at age 65, 20 years from now:

	2024	**2023**
Male	**23.4**	24.3
Female	**25.9**	26.4

The mortality assumptions imply the following expectancies in years of an active member, aged 65, retiring now:

	2024	**2023**
Male	**22.0**	22.1
Female	**24.5**	24.4

Sensitivity analysis for principal assumptions used to measure scheme liabilities

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, inflation rate and mortality. The sensitivity analyses below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

	Change in Assumption	**Increase €'m**	**Decrease €'m**
2024 Assumption			
Discount rate	0.5% movement	**(23.2)**	**20.8**
Inflation rate	0.5% movement	**6.0**	**(5.6)**
Mortality	1 year movement	**(9.4)**	**9.4**
2023 Assumption			
Discount rate	0.5% movement	(25.5)	23.0
Inflation rate	0.5% movement	(6.8)	6.5
Mortality	1 year movement	(9.7)	9.7

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the changes in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

In presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the Group balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

The weighted average duration of the defined benefit plans is 14 years (2023: 14 years).

19. RETIREMENT BENEFIT OBLIGATION

Post-employment benefits risk

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

Investment risk

The responsibility for setting the investment policy for each of the Tirlán defined benefit schemes lies with the trustees of each scheme (the "Trustees") who act in consultation with Tirlán.

The Trustees carry out regular investment strategy reviews to determine an appropriate investment strategy having regard to the nature of the relevant scheme. In particular, the Trustees aim to manage interest rate risk by holding bonds of an appropriate duration. This is largely achieved by holding Eurozone government bonds but also by holding assets such as corporate bonds and other credit type assets for diversification. In this way, on an overall basis, the scheme assets are reasonably well matched to the scheme liabilities from an interest rate hedging perspective. This interest rate hedging is crucial in terms of reducing volatility of funding levels. However, it should be noted that holding government bonds will not necessarily match the liabilities on the IAS19 basis as the IAS19 liabilities are determined by reference to corporate bonds rather than government bonds.

During 2024, due to strong equity performance and in common with many Irish pension schemes, there has been an opportunity to de-risk by selling equity, property and diversified growth assets and purchasing Eurozone government bonds. The Trustees of the Tirlán pension schemes, with support from Tirlán, have agreed to proceed with some de-risking. While this results in a significant holding in one particular category of asset (i.e. Eurozone government bonds), this will provide a significant level of interest rate hedging. There is a minor risk arising from the possibility of Eurozone governments defaulting on the bonds underlying these investments. However, this risk is mitigated by investing in high quality government bonds rated at AAA / AA.

The Trustees also partially invest in equity, diversified growth and property assets to back longer-term liabilities in respect of non-pensioners. While there is market risk attaching to these assets, this risk is somewhat limited given that these funds are well diversified and the overall growth asset allocation has reduced considerably given recent investment de-risking exercises noted above.

Interest rate risk

A decrease in corporate bond yields will increase plan liabilities, although this will be partially offset by an increase in the value of the plans' bond holdings. A change in the defined benefit obligation as a result of changes in the discount rate leads to volatility in the Group balance sheet, Group income statement and Group statement of comprehensive income. It also impacts the funding requirements for the plans.

Inflation risk

A significant proportion of the benefits under the plans are linked to inflation. Although the plan's assets are expected to provide a good hedge against inflation over the long term, movements over the short term could lead to further deficits emerging.

Mortality risk

In the event that members live longer than assumed a further deficit will emerge in the schemes.

20. INVENTORIES

	2024 €'m	2023 €'m
Raw materials	**14.9**	14.1
Finished goods	**263.5**	222.7
Consumables	**15.9**	15.0
	294.3	251.8

The amount of inventory written down to net realisable value and the raw materials and consumables recognised as an expense are shown in note 6.

21. TRADE AND OTHER RECEIVABLES

	2024 €'m	2023 €'m
Trade receivables	**204.4**	170.5
Less allowance for impairment of receivables	**(8.7)**	(9.4)
Trade receivables – net	**195.7**	161.1
Receivables from related parties – note 38	**22.1**	18.1
Prepayments	**23.5**	16.5
Value added tax	**10.2**	8.5
Current tax asset	**-**	0.5
Other receivables	**6.0**	9.6
Other receivables	**61.8**	53.2
Trade and other receivables – current	**257.5**	214.3
Non-current		
Loans to Joint Ventures	**4.4**	4.4
Tirlán Milkflex Fund (note (a))	**1.0**	1.3
Trade and other receivables – non-current	**5.4**	5.7
	262.9	220.0

The fair value of trade and other receivables is not materially different to their carrying amount.

At 4 January 2025, the Group has derecognised €140.1 million (2023: €131.3 million) through the use of a receivables securitisation arrangement and €70.0 million (2023: €72.8 million) through the use of a receivables sale arrangement. Under the terms of these arrangements the Group no longer retains any risks and rewards in the receivables.

21. TRADE AND OTHER RECEIVABLES - CONTINUED

(a) In 2016 the Group, along with the Ireland Strategic Investment Fund, Rabobank and Finance Ireland, created the Tirlán MilkFlex Fund ('the Fund'). The Fund offers loans to Tirlán milk suppliers with loan repayments which can vary according to movements in milk price. The loans have a standard term of eight years, but may be extended by up to a maximum of a further two years when volatility triggers are enacted. Loan repayments will be temporarily reduced when the Tirlán manufacturing milk price falls below 28 cent per litre (including VAT) for three consecutive months. Loan repayments will be suspended for a period, when the Tirlán manufacturing milk price falls below 26 cent per litre (including VAT) for three consecutive months or when the outbreak of a notifiable disease reduces milk output materially on the previous year. Loan repayments will increase when the Tirlán manufacturing price goes above 34 cent per litre (including VAT) for three consecutive months. As at the year end, repayments are expected to continue to 2026.

The carrying amounts of the Group's trade and other receivables are denominated in the following currencies:

	2024	2023
	€'m	€'m
Euro	**225.1**	201.6
US dollar	**34.0**	14.1
GBP sterling	**3.8**	4.3
	262.9	220.0

Movement on the Group's expected credit loss allowance for trade receivables is as follows:

	2024	2023
	€'m	€'m
At the beginning of the financial year	**9.4**	8.8
Increase in loss allowance recognised during the year	**0.3**	1.2
Receivables written off during the year as uncollectible	**(0.1)**	-
Unused amounts reversed	**(0.9)**	(0.6)
At the end of the financial year	**8.7**	9.4

At 4 January 2025, Group trade receivables of €71.4 million (2023: €81.4 million) were past due:

	2024	2023
	€'m	€'m
Less than 30 days	**26.7**	26.6
1 to 3 months	**19.4**	19.2
4 to 6 months	**13.2**	18.6
Over 6 months	**12.1**	17.0
At the end of the year	**71.4**	81.4
Less expected credit loss allowance	**(8.7)**	(9.4)
	62.7	72.0

The Group applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for trade and other receivables. A loss allowance of receivables is established based on expected credit losses. To measure expected credit losses, historical loss rates are calculated based on historical credit loss experience. The loss allowance based on historical loss rates is adjusted where appropriate to reflect current information and forward-looking information on macroeconomic factors, including the trading environment of countries in which the Group sells its goods, which affect the ability of the debtors to settle the receivables.

22. CASH AND CASH EQUIVALENTS

	2024 €'m	2023 €'m
Cash at bank and in hand	**116.5**	148.8

23. CALLED UP SHARE CAPITAL PRESENTED AS EQUITY AND SHARE PREMIUM

	Number of shares (millions)	Ordinary Shares €'000	Share premium €'000	Total €'000
At 31 December 2022	34.0	34.0	9.0	43.0
Shares issued – note (a)	-	-	0.2	0.2
At 30 December 2023	**34.0**	**34.0**	**9.2**	**43.2**
Shares issued – note (a)	**0.1**	**0.1**	**0.3**	**0.4**
Shares cancelled – note (b)	**(0.5)**	**(0.5)**	**-**	**(0.5)**
At 4 January 2025	**33.6**	**33.6**	**9.5**	**43.1**

(a) During 2024, 83,000 (2023: 54,586) ordinary shares with a nominal value of €1 were issued to new members of the Society at €5 per share, of which €0.1 million (2023: €0.1 million) were fully paid for at 4 January 2025. The remaining balance will be received via deduction from milk payments up to 2026.

(b) During 2024, 530,299 (2023: nil) ordinary shares with a nominal value of €1 were cancelled.

The total issued number of ordinary 'A' shares is 33.6 million (2023: 34.0 million) with a par value of €1 per share. €0.4 million (2023: €0.1 million) ordinary 'A' shares were issued but not fully paid as at 4 January 2025.

The 'A' ordinary shares have four classes of membership A1, A2, A3 and A4. The shares held by a member in any class carry the designation of that class of membership. The rights of each class differ as follows:

(i) A1 members have all the rights of membership provided for in the rules of the Society except for those applying only to A4 members.

(ii) A2 members are entitled to vote in elections in the Society but are not entitled to participate in any such elections as a candidate or proposer or seconder of a candidate. They are not entitled to receive notice of or vote on any special resolution or on any resolution to amend, delete or add to the rules of the Society, but are entitled to receive notice of and vote on all other resolutions at any general meeting of the Society.

(iii) A3 members do not have the right to receive notice of any meeting of the Society or to attend or vote at any such meeting or to participate in any way in any elections in the Society.

(iv) A4 members have the rights and entitlements attaching to corporate members and A4 shares rank pari passu with the A1 shares.

24. OTHER RESERVES

	Capital reserve (note a) €'m	Currency reserve (note b) €'m	Hedging reserve (note c) €'m	Share of equity movements of joint ventures & associates (note d) €'m	Total €'m
Balance at 31 December 2022	20.8	(0.1)	6.6	(54.3)	(27.0)
Fair value movement on foreign currency contracts	-	-	0.1	-	0.1
Fair value movement on cashflow hedges	-	-	(6.6)	-	(6.6)
Commodity futures - loss in the financial year	-	-	(1.1)	-	(1.1)
Deferred tax credit on fair value movements	-	-	0.9	-	0.9
Currency translation differences	-	(0.1)	-	-	(0.1)
Fair value movement on cashflow hedges - associates	-	-	-	(1.4)	(1.4)
Currency translation differences - associates	-	-	-	(17.2)	(17.2)
Net change in OCI	-	(0.1)	(6.7)	(18.6)	(25.4)
Purchase of Glanbia plc own shares - associates	-	-	-	(32.4)	(32.4)
Cost of share based payments - associates	-	-	-	0.8	0.8
Change in fair value of equity instruments measured at FVOCI - associates	-	-	-	0.1	0.1
Transfer to group income statement - associates	-	-	-	2.6	2.6
Balance at 30 December 2023	**20.8**	**(0.2)**	**(0.1)**	**(101.8)**	**(81.3)**
Fair value movement on foreign currency contracts	**-**	**-**	**(1.0)**	**-**	**(1.0)**
Fair value movement on cashflow hedges	**-**	**-**	**(4.6)**	**-**	**(4.6)**
Commodity futures - loss in the financial year	**-**	**-**	**2.2**	**-**	**2.2**
Deferred tax charge on cashflow hedges	**-**	**-**	**0.5**	**-**	**0.5**
Share of OCI of joint ventures	**-**	**-**	**(1.3)**	**-**	**(1.3)**
Currency translation differences	**-**	**0.2**	**-**	**-**	**0.2**
Fair value movement on cashflow hedges - associates	**-**	**-**	**-**	**0.4**	**0.4**
Currency translation differences - associates	**-**	**-**	**-**	**36.4**	**36.4**
Net change in OCI	**-**	**0.2**	**(4.2)**	**36.8**	**32.8**
Purchase of Glanbia plc own shares - associates	**-**	**-**	**-**	**(25.8)**	**(25.8)**
Cost of share based payments - associates	**-**	**-**	**-**	**(4.3)**	**(4.3)**
Balance at 4 January 2025	**20.8**	**-**	**(4.3)**	**(95.1)**	**(78.6)**

24. OTHER RESERVES – CONTINUED

(a) Capital reserve

The capital reserve comprises of a capital redemption reserve which arose on the re-nominalisation of the Society's share capital on conversion to the euro and a capital reserve which relates to the cancellation of Society shares.

(b) Currency reserve

The currency reserve reflects the foreign exchange gains and losses arising from the translation of the net investment in foreign operations. The movement in USD foreign exchange rates from 1.1050 as at 30 December 2023 to 1.0299 as at 4 January 2025 is the primary driver of the movement in the currency reserve in the financial year.

(c) Hedging reserve

The hedging reserve reflects the effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges. Amounts accumulated in the hedging reserve are recycled to the income statement in the periods when the hedged item affects income or expense.

(d) Share of equity movements of joint ventures and associates

This reserve reflects the Group's share of the equity movements of its associates and joint ventures which are recorded in this equity component including those relating to currency reserve, Glanbia plc own shares reserve, hedging reserve, share based payment reserve and FVOCI reserve.

25. RETAINED EARNINGS

	Notes	2024 €'m	2023 €'m
At the beginning of the year		**1,297.5**	1,222.0
Profit for the financial year		**78.3**	108.8
Other comprehensive income:			
Remeasurements on defined benefit plans	19	**19.5**	(0.1)
Deferred tax on remeasurements on defined benefit plans	30	**(2.4)**	-
Share of associate's remeasurements on defined benefit plans, net of deferred tax	18	**1.1**	0.4
		18.2	0.3
Ordinary share interest and appropriations to Society shareholders	11	**(21.6)**	(35.8)
Share of associate's acquisition of non controlling interest	18	**-**	2.2
At the end of the financial year		**1,372.4**	1,297.5

26. NON-CONTROLLING INTERESTS

	2024 €'m	2023 €'m
At the beginning of the financial year	**17.2**	15.9
Share of profit for the financial year	**1.3**	2.0
Dividends to non-controlling interests	**(0.4)**	(0.7)
At the end of the financial year	**18.1**	17.2

The Group has the following non-controlling interests:

	Proportion of ownership interests held by non-controlling interests	
	2024 %	**2023 %**
South Eastern Cattle Breeding Society Limited	38.8	38.8
D Walsh & Sons Limited	40	40
Grassland Fertilizers (Kilkenny) Limited	26.7	26.7

All ownership interests are in the form of ordinary shares.

27. TRADE AND OTHER PAYABLES

	2024 €'m	2023 €'m
Current		
Trade payables	**208.9**	212.9
Amounts due to related parties - note 38	**29.4**	11.9
Social security costs	**1.3**	1.8
Deferred income	**7.5**	5.2
Current tax liability	**1.5**	0.3
Other payables and accrued expenses	**229.5**	166.1
	478.1	398.2
Non-current		
Other payables	**7.0**	7.0
Total trade and other payables	**485.1**	405.2

28. BORROWINGS

	2024 €'m	2023 €'m
Current		
Bank overdraft	**49.4**	43.2
Secured exchangeable bond – deferred issue costs	**(0.7)**	(0.7)
	48.7	42.5
Non-Current		
Bank borrowings	**169.2**	224.2
Secured exchangeable bond	**237.8**	237.2
	407.0	461.4
Total borrowings	**455.7**	503.9

In 2022, a secured exchangeable bond of €250.0 million was issued at a fixed rate of 1.875% (payable half yearly) with a bullet repayment in January 2027 unless redeemed earlier at the option of the Society. This convertible debt instrument includes a cash settlement option whereby the Society may deliver either a fixed number of shares to the holder or an amount of cash equal to the market value of the fixed number of shares on the date of conversion. This convertible bond option is accounted for as a derivative liability (note 29). The convertible debt is a hybrid instrument containing a host debt contract and a convertible option component (written call option over Glanbia plc shares). The conversion option element is measured at fair value with changes in fair value recognised in profit or loss. The host bond is initially recognised at fair value and subsequently at amortised cost.

Included within the carrying value of borrowings and the secured exchangeable bond are deferred debt issue costs of €1.4 million (2023: €2.1 million), which are recognised in finance costs in the Group income statement using the effective interest rate method over the remaining life of the bond.

The maturity of non-current borrowings is as follows:

	2024 €'m	2023 €'m
Between 1 and 2 years	**168.5**	(0.4)
Between 2 and 5 years	**238.5**	461.8
At the end of the financial year	**407.0**	461.4

The carrying amounts and fair values of non-current borrowings are as follows:

	Carrying amount 2024 €'m	Carrying amount 2023 €'m	Fair value 2024 €'m	Fair value 2023 €'m
Non-current borrowings	**407.0**	461.4	**408.1**	449.4

The carrying value of current borrowings approximates to the fair value due to the nature and terms of the agreements for the borrowings.

28. BORROWINGS – CONTINUED

The Group has the following undrawn borrowing facilities:	2024 €'m	2023 €'m
Committed facilities expiring within 2 to 5 years	**272.0**	217.0

The providers of finance are AIB, Bank of Ireland, Danske Bank, Rabobank, HSBC Bank. All of the undrawn borrowing facilities are floating rate facilities. The Group's borrowings are denominated in euro and are borrowed at floating interest rates. Interest is set at commercial rates based on Euribor revised at intervals not exceeding six months.

Net debt is defined as current and non-current borrowings less cash and cash equivalents.

	2024 €'m	2023 €'m
Borrowings – current	**48.7**	42.5
Borrowings – non-current	**407.0**	461.4
Cash and cash equivalents	**(116.5)**	(148.8)
	339.2	355.1

The movement in net debt is as follows:

	2024 €'m	2023 €'m
Net debt at beginning of financial year	**355.1**	415.7
Drawdown of borrowings	**197.8**	10.2
Repayment of borrowings	**(246.7)**	(31.5)
Deferred debt issue costs	**0.7**	0.7
Net decrease/(increase) in cash and cash equivalents	**32.3**	(40.0)
Net debt at the end of the financial year	**339.2**	355.1

29. DERIVATIVE FINANCIAL INSTRUMENTS

	Assets 2024 €'m	Liabilities 2024 €'m	Assets 2023 €'m	Liabilities 2023 €'m
Convertible bond option – fair value through profit or loss	**-**	**(11.4)**	-	(27.3)
Interest rate swaps – cash flow hedges	**-**	**-**	6.1	(0.4)
Foreign exchange contracts – cash flow hedges	**-**	**(0.9)**	1.2	(0.2)
Commodity futures – cash flow hedges	**0.6**	**(0.2)**	0.1	(2.0)
Total	**0.6**	**(12.5)**	7.4	(29.9)
Less non-current portion:				
Convertible bond option – fair value through profit or loss	**-**	**(11.4)**	-	(27.3)
Interest rate swaps – cash flow hedges	**-**	**-**	-	(0.4)
Commodity Futures – cash flow hedges	**0.1**	**(0.1)**	-	(0.9)
Non-current	**0.1**	**(11.5)**	-	(28.6)
Current	**0.5**	**(1.0)**	7.4	(1.3)

Convertible bond option

In 2022, a convertible bond of €250.0 million was issued by the Society. The convertible debt instrument includes a cash settlement option whereby the Society may deliver either a fixed number of shares to the holder or an amount of cash equal to the market value of the fixed number of shares on the date of conversion. This convertible option is accounted for as a derivative liability. The convertible debt is a hybrid instrument containing a host debt contract and a conversion option component (written call option over Glanbia plc shares). The conversion option element is measured at fair value with changes in fair value recognised in profit or loss. The host bond option is initially recognised at fair value and subsequently at amortised cost (note 28).

Interest rate swaps

The notional principal amount of the outstanding interest rate swap contracts, qualifying as cash flow hedges at 4 January 2025 are €150.0 million (2023: €390.0 million).

Foreign exchange contracts

The notional principal amounts of the outstanding foreign exchange contracts at 4 January 2025 are €30.8 million (2023: €48.3 million).

Commodity futures

The notional principal amounts of the outstanding commodity futures (diesel oil, cargo fuel oil) at 4 January 2025 are €21.8 million (2023: €31.3 million).

Gains and losses recognised in the hedging reserve in other comprehensive income on interest rate swaps, foreign exchange contracts and commodity futures at 4 January 2025 will be released to the income statement at various dates within one year from the reporting date.

30. DEFERRED TAX ASSETS AND LIABILITIES

	2024 €'m	2023 €'m
Deferred tax asset	**5.3**	5.0
Deferred tax liability	**(61.0)**	(57.5)
Net deferred tax liability	**(55.7)**	(52.5)

The gross movement on the deferred tax account is as follows:

	2024 €'m	2023 €'m
At the beginning of the financial year	**(52.5)**	(51.5)
Charged to the income statement	**(1.3)**	(1.9)
Credited/(Charged) to other comprehensive income:		
Deferred tax credited on fair value movements	**0.5**	0.9
Deferred tax charge on remeasurements - defined benefit pension schemes	**(2.4)**	-
At the end of the financial year	**(55.7)**	(52.5)

The movement in deferred tax liabilities and assets during the financial year is as follows:

Deferred tax asset	Leased liabilities €'m	Benefit of tax losses €'m	Other €'m	Total €'m
At 31 December 2022	4.2	1.0	0.2	5.4
Credited/(charged) to income statement	0.8	(1.0)	(0.2)	(0.4)
At 30 December 2023	**5.0**	**-**	**-**	**5.0**
Credited to income statement	**0.3**	**-**	**-**	**0.3**
At 4 January 2025	**5.3**	**-**	**-**	**5.3**

A deferred tax asset has been recognised on the basis that the realisation of the related tax benefit through future taxable profits is probable. This includes deferred tax assets which are recognised for tax losses carried forward to the extent that realisation of the related tax benefit through future tax profits is probable.

At the balance sheet date, the Group has unused tax losses of €13.3 million (2023: €13.3 million) available for offset against future profits, for which no deferred tax asset has been recognised as it is not considered probable that there will be future taxable profits available for such losses. All unrecognised tax losses may be carried forward indefinitely.

30. DEFERRED TAX ASSETS AND LIABILITIES - CONTINUED

Deferred tax liabilities	Accelerated tax depreciation €'m	Right-of-use assets €'m	Retirement benefit obligations €'m	Other €'m	Total €'m
At 31 December 2022	(48.3)	(4.6)	(0.5)	(3.5)	(56.9)
Credited/(Charged) to income statement	0.5	(0.4)	(1.8)	0.2	(1.5)
Reclassified from deferred tax asset	-	-	-	0.9	0.9
At 30 December 2023	**(47.8)**	**(5.0)**	**(2.3)**	**(2.4)**	**(57.5)**
(Charged)/Credited to income statement	**(0.9)**	**(0.4)**	**(0.8)**	**0.5**	**(1.6)**
(Charged)/Credited to other comprehensive income	**-**	**-**	**(2.4)**	**0.5**	**(1.9)**
At 4 January 2025	**(48.7)**	**(5.4)**	**(5.5)**	**(1.4)**	**(61.0)**

31. DEFERRED CONSIDERATION

	Wexford Creamery Limited	Utility Consideration	Total
Balance at 30 December 2023 - current	6.0	-	6.0
Balance at 30 December 2023 - non-current	-	-	-
Balance at 31 December 2022	5.6	0.1	5.7
Imputed interest recognised in the income statement	0.3	-	0.3
Fair value adjustment	0.3	-	0.3
Consideration payment	(0.2)	(0.1)	(0.3)
Balance at 30 December 2023	**6.0**	**-**	**6.0**
Consideration payment	**(6.0)**	**-**	**(6.0)**
Balance at 4 January 2025	**-**	**-**	**-**
Balance at 4 January 2025 - current	-	-	-
Balance at 4 January 2025 - non-current	-	-	-

(i) Wexford Creamery Limited

The acquisition consideration refers to the amount due in respect of the acquisition of Wexford Creamery Limited, which took place on 16 May 2014. This amount was fully paid in 2024.

(ii) Utility Consideration

Utility consideration represents the cost of providing gas to the Wexford processing plant at Rocklands, Wexford.

32. PROVISION FOR OTHER LIABILITES AND CHARGES

	Restructuring €m note (a)	Milk Supply Voluntary Retirement Scheme €'m note (b)	Legal €'m note (c)	Property & Leases €'m note (d)	Total €'m
Balance at 30 December 2023 – current	-	1.7	0.1	2.4	4.2
Balance at 30 December 2023 – non-current	-	3.0	-	1.7	4.7
At the beginning of the financial year	**-**	**4.7**	**0.1**	**4.1**	**8.9**
Provided in the financial year	**8.4**	**-**	**-**	**2.1**	**10.5**
Unused amount reversed	**-**	**-**	**-**	**(0.7)**	**(0.7)**
Unwind of discount	**-**	**0.1**	**-**	**-**	**0.1**
Utilised in the financial year	**(3.5)**	**(1.7)**	**-**	**(0.6)**	**(5.8)**
At the end of the financial year	**4.9**	**3.1**	**0.1**	**4.9**	**13.0**
Balance at 4 January 2025 – current	**4.9**	**1.5**	**0.1**	**0.5**	**7.0**
Balance at 4 January 2025 – non-current	**-**	**1.6**	**-**	**4.4**	**6.0**
	4.9	**3.1**	**0.1**	**4.9**	**13.0**

(a) Restructuring provision relates to a group wide cost reduction programme. The provision is expected to be utilised in 2025.
(b) The Milk Supply Voluntary Retirement Scheme relates to costs associated with supporting retiring milk suppliers exit milk supply as part of peak milk supply management. Payments will be made to retiring milk suppliers up to 2026.
(c) The legal provision relates to certain legal claims, insurance claims and other items.
(d) The property and leases provision relates to property remediation works and is based on the estimated cost of re-instating leased properties to their original condition at the end of the lease term (up to 2028). Due to the nature of these provisions there is some uncertainty around the amount and timing of payments.

33. CAPITAL GRANTS

	2024 €'m	2023 €'m
At the beginning of the financial year	**32.7**	32.0
Grants received during the financial year	**2.2**	2.9
Released to the Group income statement	**(2.9)**	(2.2)
At the end of the financial year	**32.0**	32.7
Non-current	**29.0**	30.6
Current	**3.0**	2.1
	32.0	32.7

There are no unfulfilled conditions or other contingencies attaching to the grants.

34. FINANCIAL RISK MANAGEMENT

The conduct of the Group's ordinary business operations necessitates the holding and issuing of financial instruments and derivative financial instruments. The main risks arising from issuing, holding and managing these financial instruments typically include currency risk, interest rate risk, price risk, liquidity and cash flow risk, and credit risk. The Group's approach is to manage these risks against comprehensive policy guidelines, which are summarised below. The Group does not enter into any financial instruments that give rise to speculative positions. The Group finances its operations by a mixture of secured exchangeable bond, retained profits, medium-term committed borrowings and short-term uncommitted bank borrowings. The Group borrows at floating rates of interest, using derivatives where appropriate to generate the desired effective currency profile and interest rate basis. Financial risk management, other than credit risk management, is carried out by a central treasury department ("Group Treasury") operating under policies approved by the Board.

a) Currency risk

The Group has transactional currency exposures that arise from sales or purchases in currencies other than the Group's operating functional currency. Management has set up a policy which ensures that foreign exchange risk is managed against functional currency. The Group hedges foreign exchange risk exposures through Group Treasury. The Group monitors and manages currency exposures on a continuous basis, using approved hedging strategies and appropriate currency derivative instruments, which are executed by Group Treasury.

The risk management practice is to hedge up to 100% of contracted and highly probable currency cash flows (mainly export sales and purchase of inventory). In respect of foreign currency hedges in place at 4 January 2025, a weakening/strengthening of the euro against the US dollar by 5% as at 4 January 2025 would have resulted in a currency translation gain/loss of approximately €1.2 million (30 December 2023: €1.7 million) which would be recognised directly in other comprehensive income (fair value movement on cash flow hedges).

(b) Interest rate risk

The Group's objective in relation to interest rate management is to minimise the impact of interest rate volatility on interest costs in order to protect reported profitability. This is achieved by determining a long term strategy against a number of policy guidelines which focus on (a) the amount of floating rate indebtedness anticipated over such a period and (b) the consequent sensitivity of interest costs to interest rate movements on this indebtedness and the resultant impact on reported profitability. The Group borrows at both fixed and floating rates of interest and can use interest rate swaps to manage the Group's resulting exposure to interest rate fluctuations.

The Group's main interest rate risk arises from long-term borrowings with floating rates, due to the borrowings being periodically contractually repriced within 12 months from the reporting date. These borrowings expose the Group to cash flow interest rate risk. The Group operates a policy of fixing a certain amount of its interest exposure. Floating rate loans are drawn for a period of up to 3 months, in accordance with the working capital requirements of the Group. Interest cost incurred is determined by the market rate as at the date of drawdown.

Occasionally, the Group manages its cash flow interest rate risk by using floating to fixed interest rate swaps. Such interest rate swaps have the effect of converting borrowings from floating rates to fixed rates. Under these interest rate swaps, the Group agrees with other parties to exchange at specified intervals, the difference between fixed interest rate amounts and floating interest rate amounts calculated by reference to the agreed notional amounts.

34. FINANCIAL RISK MANAGEMENT - CONTINUED

The Group does not account for any fixed rate financial liabilities at fair value through profit or loss. Therefore a change in interest rates at the reporting date would not affect profit or loss. The following table demonstrates the sensitivity of profit before tax and total equity if market interest rates had been higher with all other variables being constant:

	2024 €'m	2023 €'m
3% (2023: 3%) increase in market interest rates*		
Impact on profit before tax	**1.4**	0.5
Impact on total equity	**1.2**	0.5

*Each incremental 3% change in market interest rates at 2024 year end would impact profit before tax and total equity by +€1 million.

(c) Price risk

Commodity price risk in the Group arises primarily from price fluctuations of commodities. The Group's objective is to minimise commodity price risk through entering into commodity options and future contracts for instance and the use of appropriate hedging strategies. The Group enters into forward purchase and forward sale agreements in the normal course of business. Certain of these contracts are deemed to be 'own use' as they were entered into in accordance with the Group's expected purchase, sale or usage requirements. The impact of a 5% increase or decrease in commodity prices (milk, cheese and gas) would not have any material impact on Group profit before tax or total equity.

(d) Liquidity and cash flow risk

The Group's objective is to maintain a balance between the continuity of funding and flexibility through the use of borrowings with a range of maturities. In order to preserve continuity of funding, the Group's policy is that, at a minimum, committed facilities should be available at all times to meet the full extent of its anticipated finance requirements, arising in the ordinary course of business during the succeeding 12 month period. This means that at any time the lenders providing facilities in respect of this finance requirement are required to give at least 12 months' notice of their intention to seek repayment of such facilities. At the financial year end, the Group had committed term facilities of €691.0 million (2023: €691.0 million), of which €272.0 million (2023: €217.0 million) was undrawn. As at 4 January 2025, the weighted average maturity of these facilities was 1.7 years (2023: 2.7 years).

The following tables analyse the Group's non-derivative financial liabilities and derivative contracts into relevant maturity groupings based on the remaining period from the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

At 4 January 2025 Non-derivative financial liabilities	Less than 1 year €'m	Between 1 and 2 years €'m	Between 2 and 5 years €'m	More than 5 years €'m	Total €'m
Trade and other payables	478.1	7.0	-	-	485.1
Lease liabilities	7.5	7.0	15.1	20.0	49.6
Interest-bearing borrowings	48.7	168.5	238.5	-	455.7
Projected interest payments on interest-bearing borrowings	5.4	17.5	0.4	-	23.3
	539.7	200.0	254.0	20.0	1,013.7

34. FINANCIAL RISK MANAGEMENT - CONTINUED

At 30 December 2023 Non-derivative financial liabilities	Less than 1 year €'m	Between 1 and 2 years €'m	Between 2 and 5 years €'m	More than 5 years €'m	Total €'m
Trade and other payables	398.2	7.0	-	-	405.2
Lease liabilities	6.9	6.3	12.8	18.1	44.1
Interest-bearing borrowings	42.5	(0.4)	461.8	-	503.9
Projected interest payments on interest-bearing	20.4	5.4	25.4	-	51.2
	468.0	18.3	500.0	18.1	1004.4

	Less than 1 year €'m	Between 1 and 2 years €'m	Between 2 and 5 years €'m	Total €'m
At 4 January 2025				
Foreign exchange contracts - cash flow hedges				
-Outflow	(0.9)	-	-	(0.9)
	(0.9)	-	-	(0.9)
Commodity futures				
-Inflow	0.5	0.1	-	0.6
-Outflow	(0.1)	-	(0.1)	(0.2)
	0.4	0.1	(0.1)	0.4
Convertible bond option				
-Outflow	-	-	(11.4)	(11.4)
Total	(0.5)	0.1	(11.5)	(11.9)

34. FINANCIAL RISK MANAGEMENT - CONTINUED

	Less than 1 year €'m	Between 1 and 2 years €'m	Between 2 and 5 years €'m	Total €'m
At 30 December 2023				
Foreign exchange contracts - cash flow hedges				
-Inflow	1.2	-	-	1.2
-Outflow	(0.2)	-	-	(0.2)
	1.0	-	-	1.0
Interest rate swaps - cash flow hedges				
-Inflow	6.1	-	-	6.1
-Outflow	-	-	(0.4)	(0.4)
	6.1	-	(0.4)	5.7
Commodity futures				
-Inflow	0.1	-	-	0.1
-Outflow	(1.1)	-	(0.9)	(2.0)
	(1.0)	-	(0.9)	(1.9)
Convertible bond option				
-Outflow	-	-	(27.3)	(27.3)
Total	6.1	-	(28.6)	(22.5)

(e) Credit risk

The Group's objective is to minimise credit risk which is managed on a Group basis. Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial transaction fails to meet its contractual obligations. Credit risk arises from cash and cash equivalents, credit exposures to customers, including outstanding receivables and committed transactions, and loans to joint ventures. Other financial assets (note 15) are not material and accordingly, loss allowance of ECL is not material.

Financial assets subject to credit risk are written off when there is no reasonable expectation of recovery such as a debtor failing to engage in a repayment plan with a company. Subsequent recoveries of amounts written off are recognised in the Group income statement. The Group does not expect any significant counterparty to fail to meet its obligations. The maximum exposure to credit risk is represented by the carrying amount of each asset.

With regard to cash and cash equivalents, in the international movement and placement of funds and execution of financial transactions, the Group's policies require exposure to independently rated parties with long term credit ratings of at least A3 (Moody's) or A- (Standard & Poor's). In the movement and placement of funds and execution of financial transactions in Ireland, the Group is exposed to independently rated parties with long term credit ratings of at least Ba2 (Moody's) or BB (Standard & Poor's) (2023: Ba2 (Moody's) or BB (Standard & Poor's)). The Group's cash and cash equivalents (note 22) at 4 January 2025 and 30 December 2023 were held within financial institutions which complied with Group policy. Accordingly the Group considers its cash and cash equivalents to be of low credit risk and does not expect any material credit loss in relation to them.

34. FINANCIAL RISK MANAGEMENT - CONTINUED

The Group's credit risk management policy requires that, where possible, all debt is insured with an external credit insurance underwriter. The Group's authorisation review includes external credit agency reports, the trading and financial history and position of the customer, the business case, the country in which the customer operates and any other available information. The utilisation of credit limits is actively managed and reviewed formally on an annual basis. Where the extension of credit is not appropriate, payment in advance is required. No goods are dispatched on credit until the credit controller has authorised the application confirming all necessary procedures have been complied with. Outstanding customer balances are regularly monitored and a review for indicators of impairment (evidence of financial difficulty of the customer, payment default, breach of contract etc.) is carried out at each reporting date.

Goods are sold primarily subject to retention of title clauses, so that in the event of non-payment the Group may have a secured claim. Where required, the Group holds appropriate security or liens in respect of trade and other receivables. The Group does not hold any significant security or liens at the end of the financial year.

See note 21 for the carrying amount of the Group's trade and other receivables.

The Group advanced loans to its joint ventures for the purposes of funding capital expenditure. See note 38 for details of the loans. The loans receivable are considered to have low credit risk as there is a low risk of default and the joint ventures are expected to meet their contractual cash flow obligations in the near term. The Group considers information such as cash flow forecasts of the joint ventures to determine whether they have the ability to repay the intercompany loans. Management does not expect significant adverse changes in economic and business conditions which would reduce the ability of the joint ventures to repay the loans. Consequently, the Group has determined that the loans are of low credit risk and there is no material ECL.

(f) Fair value estimation

The fair value of financial instruments that are not traded in an active market (for example, over the counter derivatives) are determined by using valuation techniques.

The Group uses a variety of methods and makes assumptions that are based on market conditions existing at each reporting date. Quoted market prices or dealer quotes for similar instruments are used for long term debt. Other techniques, such as estimated discounted cash flows, are used to determine fair values for the remaining financial instruments. The fair value of foreign exchange contracts is determined using quoted forward exchange rates at each reporting date. The fair value of the secured exchangeable bond option is determined by reference to the quoted open market price on Global Exchange Market at the end of the reporting period.

The carrying amounts of trade receivables and payables is assumed to approximate their fair values due to their short term. The fair value of borrowings for disclosure purposes (note 28) is estimated by discounting the future contractual cash flows at current market interest rates that are available to the Group for similar financial instruments.

In accordance with IFRS 13 – 'Fair Value Measurement', the Group has disclosed the fair value of instruments by the following fair value measurement hierarchy:

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

34. FINANCIAL RISK MANAGEMENT - CONTINUED

The following table presents the Group's financial assets and liabilities, which are measured at fair value, at 4 January 2025 and at 30 December 2023.

	Fair Value Hierarchy	2024 €'m	2023 €'m
Assets			
Derivatives used for hedging	Level 2	**0.6**	7.4
Liabilities			
Secured exchangeable bond option	Level 2	**(11.4)**	(27.3)
Derivatives used for hedging	Level 2	**(1.1)**	(2.6)
		(12.5)	(29.9)

(g) Carrying amount of financial instruments

	Notes	2024 €'m	2023 €'m
Financial Assets measured at amortised cost			
Trade receivables, receivables from related parties and loans to joint ventures	21	**222.2**	183.6
Ornua Co-operative Limited	15	**1.4**	1.9
Others	15	**1.8**	1.7
		225.4	187.2
Financial Liabilities measured at amortised cost			
Borrowings	28	**455.7**	503.9
Trade payables and amount due to related parties	27	**238.3**	224.8
Lease liabilities	13	**43.9**	40.5
		737.9	769.2

35. COMMITMENTS

	2024 €'m	2023 €'m
Capital commitments		
Contracted for, but not provided in the financial statements	9.7	5.4

The Group has commitments in relation to the Patronage Bonus schemes amounting to €nil million in 2024 (2023: €0.1 million). These were approved at a special general meeting in 2019 and 2018. The Patronage Bonus will be paid out based on events that will be at the discretion of the Board. Refer to note 11 for further details.

The Society committed to invest up to $3.1 million in SOSV Ireland Biomanufacturing Fund LP. The commitment is subject to capital calls over an initial investment period of five years. The investment will be drawn down as required by the fund manager to finance new investments and operational expenses.

36. CONTINGENT LIABILITIES

Bank guarantees amounting to €0.9 million were outstanding as at 4 January 2025 (30 December 2023: €1.0 million). The Group does not expect any material loss to arise from these guarantees.

The Group has a contingent liability in respect of legal claims arising in the ordinary course of business. It is not anticipated that any material liability will arise from these contingent liabilities.

37. CASH GENERATED FROM OPERATING ACTIVITIES

(a) Cash generated from operations reconciliations	**Notes**	**2024 €'m**	**2023 €'m**
Profit after taxation		**79.6**	110.8
Income taxes	10	**5.3**	4.9
Depreciation – property, plant and equipment	12	**46.6**	45.2
Depreciation – right-of-use assets	13	**8.5**	7.7
Amortisation of intangible assets	14	**4.0**	3.5
Amortisation of government grants received	33	**(2.9)**	(2.2)
Difference between pension charge and cash contributions		**1.2**	(12.4)
Net finance cost	8	**9.1**	33.7
Non cash movements – commodities		**-**	(0.6)
Share of profit of joint ventures and associates		**(47.0)**	(90.1)
Loss on disposal of property, plant and equipment		**0.2**	0.4
Non cash movement in provisions		**7.8**	-
Other non-cash movements		**0.9**	0.1
Cash generated from operations before changes in working capital		**113.3**	**101.0**
Change in net working capital:			
(Increase)/decrease in inventory		**(42.5)**	157.3
(Increase)/decrease in trade and other receivables		**(44.0)**	79.1
Increase/(decrease) in trade and other payables		**77.9**	(181.4)
Decrease in provisions		**(5.8)**	(5.3)
Net (increase)/decrease in working capital		**(14.4)**	**49.7**
Cash generated from operating activities		**98.9**	**150.7**

37. CASH GENERATED FROM OPERATIONS - CONTINUED

(b) Changes in liabilities arising from financing activities	Borrowings	Lease liabilities	Total
	€'m	€'m	€'m
At 31 December 2022	524.5	36.1	560.6
Cash changes:			
Drawdown of borrowings	10.2	-	10.2
Repayment of borrowings	(31.5)	-	(31.5)
Payment of lease liabilities	-	(7.4)	(7.4)
Non-cash changes:			
Deferred debt issue costs	0.7	-	0.7
Leases	-	11.8	11.8
At 30 December 2023	**503.9**	**40.5**	**544.4**
Cash changes:			
Drawdown of borrowings	**197.8**	**-**	**197.8**
Repayment of borrowings	**(246.7)**	**-**	**(246.7)**
Payment of lease liabilities	**-**	**(8.9)**	**(8.9)**
Non-cash changes:			
Deferred debt issue costs	**0.7**	**-**	**0.7**
Leases	**-**	**12.3**	**12.3**
At 4 January 2025	**455.7**	**43.9**	**499.6**

38. RELATED PARTY TRANSACTIONS

Related parties of the Group include subsidiary undertakings, joint ventures and associates, key management personnel and connected parties. Refer to notes 16 to 18 for the Group's principal subsidiaries, joint ventures and associates.

(a) Transactions with related parties

Dividends received

Dividends received by the Group from its joint ventures and associates are as follows:

	2024	2023
	€'m	€'m
Glanbia plc	**27.9**	25.3
South East Port Services Limited	**0.3**	0.1
	28.2	25.4

	2024	2023
	€'m	€'m
Sales of goods and services		
Subsidiaries of Glanbia plc	**54.2**	56.7
Joint Ventures and related undertakings of Tirlán Limited	**228.8**	76.7
Directors	**2.7**	2.9
	285.7	136.3

Sales to related parties were carried out under normal commercial terms and conditions.

	2024	2023
	€'m	€'m
Purchases of goods and services		
Subsidiaries of Glanbia plc	**25.4**	28.9
Joint Ventures and related undertakings of Tirlán Limited	**66.2**	31.8
Directors	**10.2**	9.0
	101.8	69.7

Purchases from related parties were carried out under normal commercial terms and conditions.

Financial year end balances	2024	2023
	€'m	€'m
Receivables from related parties		
Glanbia plc	**11.9**	7.6
Joint ventures and related undertakings of Tirlán Limited	**9.9**	10.2
Directors	**0.3**	0.3
	22.1	18.1

38. RELATED PARTY TRANSACTIONS – CONTINUED

	2024 €'m	2023 €'m
Payables to related parties		
Glanbia plc	**2.6**	5.6
Joint ventures and related undertakings of Tirlán Limited	**26.2**	6.0
Directors	**0.6**	0.3
	29.4	11.9

The outstanding balances included in receivable and payables at the balance sheet date in respect of transactions with related parties are unsecured, interest free and settlement arises in cash. No guarantees have been given or received. All outstanding balances are deemed to be fully recoverable by the Group.

	2024 €'m	2023 €'m
Key management compensation		
Salaries and other short-term employee benefits	**6.7**	5.0
Non-Executive directors fees	**1.4**	1.3
Post-employment benefits	**0.3**	0.2
Long term incentive plan	**1.5**	1.5
	9.9	8.0

Key management compensation includes directors (Executive and Non-Executive) and members of the Group Executive Leadership Team.

38. RELATED PARTY TRANSACTIONS – CONTINUED

(b) Loans to Joint Venture	**2024**	**2023**
	€'m	**€'m**
Loans receivable		
At the beginning of the year	**4.4**	1.9
Loans advanced during the year	**-**	2.5
At the end of the year	**4.4**	4.4
Interest on loans receivable		
At the beginning of the year	-	-
Interest charged	0.2	0.1
Interest paid	(0.2)	(0.1)
At the end of the year	-	-
Total loans and interest receivable at the end of the year	**4.4**	4.4

Loans to Joint Ventures are as follows:

(i) an interest bearing unsecured loan of €1.5 million (2023: €1.5 million) to South East Port Services Limited, a joint venture which is repayable subject to cash-flows, to which an interest rate of 3.5% (2023: 3.5%) applies.

(ii) an interest free unsecured loan of €0.4 million (2023: €0.4 million) to Malting Company of Ireland Limited, a joint venture, which is repayable in 2043.

(iv) an interest bearing unsecured loan of €2.5 million (2023: €2.5 million) to Kilkenny Cheese Holdings Limited, a joint venture, which is repayable in 2035, to which an interest rate of 4.5% applies.

38. RELATED PARTY TRANSACTIONS – CONTINUED

(c) (i) Details of transactions with Key Management personnel (including directors), and connected parties (where indicated), for the years ended 4 January 2025 and 30 December 2023 (refer to (c) (iv)) are as follows:

	Balance at 31 December 2023 €'m	Sales/ (Purchases with) Director 2024 €'m	(Receipts from)/ Payments to Director 2024 €'m	Interest charged during 2024 €'m	Balance at 04 January 2025 €'m	Maximum balance during the year €'m
R Barron						
Sales to Director	-	-	-	-	-	-
Purchases from Director	-	(0.3)	0.3	-	-	-
B Hayes						
Sales to Director	-	0.2	(0.2)	-	-	-
Purchases from Director	-	(0.5)	0.5	-	-	(0.1)
T Phelan						
Sales to Director	-	0.1	(0.1)	-	-	-
Purchases from Director	-	(0.4)	0.4	-	-	(0.1)
D O'Sullivan						
Sales to Director	-	0.1	(0.1)	-	-	-
Purchases from Director	-	(0.9)	0.8	-	(0.1)	(0.1)
L Hannon						
Sales to Director	-	0.2	(0.2)	-	-	-
Purchases from Director	-	(0.7)	0.7	-	-	(0.1)
S Molloy						
Sales to Director	-	-	-	-	-	-
Purchases from Director	-	-	-	-	-	-
E McEnteggart						
Sales to Director	0.1	0.3	(0.4)	-	-	-
Purchases from Director	(0.1)	(1.1)	1.1	-	(0.1)	(0.1)
J G Murphy						
Sales to Director	-	0.3	(0.3)	-	-	0.2
Purchases from Director	-	(0.8)	0.8	-	-	(0.1)
J Murphy						
Sales to Director	-	0.1	(0.1)	-	-	-
Purchases from Director	-	(0.2)	0.2	-	-	-
G O'Brien						
Sales to Director	-	0.1	(0.1)	-	-	-
Purchases from Director	-	(0.4)	0.4	-	-	(0.1)

38. RELATED PARTY TRANSACTIONS – CONTINUED

(c) (i) Details of transactions with Key Management personnel (including directors), and connected parties (where indicated), for the years ended 4 January 2025 and 30 December 2023 (refer to (c) (iv)) are as follows: (continued)

	Balance at 31 December 2023 €'m	Sales/ (Purchases) with Director 2024 €'m	(Receipts from)/ Payments to Director 2024 €'m	Interest charged during 2024 €'m	Balance at 04 January 2025 €'m	Maximum balance during the year €'m
J Regan						
Sales to Director	-	0.2	(0.2)	-	-	-
Purchases from Director	-	(0.3)	0.3	-	-	-
W Carroll						
Sales to Director	0.1	0.9	(0.8)	-	0.2	0.4
Purchases from Director	(0.1)	(3.2)	3.1	-	(0.2)	(0.4)
D Lynch						
Sales to Director	-	0.1	(0.1)	-	-	-
Purchases from Director	-	(0.3)	0.3	-	-	-
J O'Brien						
Sales to Director	-	0.1	(0.1)	-	-	-
Purchases from Director	-	(0.3)	0.3	-	-	(0.1)

(c) (ii) Connected Persons

The aggregate of credit to connected persons of Directors in office as at 4 January 2025, was as follows (2024: 5 persons; 2023: 5 persons). A connected person includes all persons connected with a director within the meaning of Section 220 of the Companies Act 2014.

	Balance at 31 December 2023 €'m	Sales/ (Purchases) with Director 2024 €'m	(Receipts from)/ Payments to Director 2024 €'m	Interest charged during 2024 €'m	Balance at 04 January 2025 €'m	Maximum balance during the year €'m
Sales to Director	-	0.1	(0.1)	-	-	-
Purchases from Director	-	(0.7)	0.7	-	-	(0.1)

38. RELATED PARTY TRANSACTIONS – CONTINUED

(c) (iii) Former Directors who were in office during 2024

	Balance at 31 December 2023	Sales/ (Purchases) with Director 2024	(Receipts from)/ Payments to Director 2024	Interest charged during 2024	Balance at date of resignation	Maximum balance during the year
	€'m	€'m	€'m	€'m	€'m	€'m
P Murphy						
Sales to Director	-	0.1	(0.1)	-	-	-
Purchases from Director	-	(0.2)	0.2	-	-	(0.1)

(c) (iv) Directors in office during 2023

	Balance at 1 January 2023	Sales/ (Purchases) with Director 2023	(Receipts from)/ Payments to Director 2023	Interest charged during 2023	Balance at 30 December 2023	Maximum balance during the year
	€'m	€'m	€'m	€'m	€'m	€'m
R Barron						
Sales to Director	-	-	-	-	-	-
Purchases from Director	-	(0.2)	0.2	-	-	-
B Hayes						
Sales to Director	-	0.1	(0.1)	-	-	-
Purchases from Director	-	(0.5)	0.5	-	-	(0.1)
T Phelan						
Sales to Director	-	0.1	(0.1)	-	-	-
Purchases from Director	-	(0.3)	0.3	-	-	-
D O'Sullivan						
Sales to Director	-	-	-	-	-	-
Purchases from Director	(0.1)	(0.6)	0.7	-	-	(0.1)
L Hannon						
Sales to Director	-	0.2	(0.2)	-	-	-
Purchases from Director	(0.1)	(0.6)	0.7	-	-	(0.1)
S Molloy						
Sales to Director	-	-	-	-	-	-
Purchases from Director	-	-	-	-	-	-
E McEnteggart						
Sales to Director	-	0.3	(0.2)	-	0.1	0.1
Purchases from Director	(0.1)	(0.9)	1.0	-	-	(0.1)
J G Murphy						
Sales to Director	-	0.2	(0.2)	-	-	0.1
Purchases from Director	-	(0.6)	0.6	-	-	(0.1)
J Murphy						
Sales to Director	-	0.1	(0.1)	-	-	-
Purchases from Director	-	(0.1)	0.1	-	-	-
P Murphy						
Sales to Director	-	0.2	(0.2)	-	-	-
Purchases from Director	-	(0.6)	0.6	-	-	(0.1)

38. RELATED PARTY TRANSACTIONS – CONTINUED

(c) (iv) Directors in office during 2023 – continued

	Balance at 1 January 2023 €'m	Sales/ (Purchases) with Director 2023 €'m	(Receipts from)/ Payments to Director 2023 €'m	Interest charged during 2023 €'m	Balance at 30 December 2023 €'m	Maximum balance during the year €'m
G O'Brien						
Sales to Director	-	0.1	(0.1)	-	-	0.1
Purchases from Director	-	(0.4)	0.4	-	-	-
J Regan						
Sales to Director	-	0.1	(0.1)	-	-	0.1
Purchases from Director	-	(0.2)	0.2	-	-	-
W Carroll						
Sales to Director	0.1	1.0	(1.0)	-	0.1	0.5
Purchases from Director	(0.2)	(2.8)	2.9	-	(0.1)	(0.4)
D Lynch						
Sales to Director	-	-	-	-	-	-
Purchases from Director	-	(0.1)	0.1	-	-	-

(c) (v) Connected persons in 2023

The aggregate of credit to connected persons of Directors in office as at 30 December 2023 was as follows (2023: 5 persons; 2022: 5 persons). A connected person includes all persons connected with a director within the meaning of Section 220 of the Companies Act 2014.

	Balance at 1 January 2023 €'m	Sales/ (Purchases) with connected Persons 2023 €'m	(Receipts from)/ Payments to Connected Persons 2023 €'m	Interest charged during 2023 €'m	Balance at 30 December 2023 €'m	Maximum balance during the year €'m
Sales to Connected Persons	-	0.2	(0.2)	-	-	-
Purchases from Connected Persons	-	(0.5)	0.5	-	-	(0.1)

(c) (vi) Former Directors who were in office during 2023

	Balance at 1 January 2023 €'m	Sales/ (Purchases) with Director 2023 €'m	(Receipts from)/ Payments to Director 2023 €'m	Interest charged during 2023 €'m	Balance at date of resignation €'m	Maximum balance during the year €'m
P Ahern						
Sales to Director	-	0.1	(0.1)	-	-	-
Purchases from Director	-	(0.3)	0.3	-	-	(0.1)

39. POST BALANCE SHEET EVENTS

Subsequent to year end, the share price of Glanbia plc, a significant associate of the Group, reduced by over 20% (at the date of approval of the accounts).

40. COMPARATIVE AMOUNTS

Comparative amounts have been reclassified where necessary to ensure the same accounting basis as the current year

41. APPROVAL OF THE FINANCIAL STATEMENTS

The directors approved the financial statements on 8 April 2025.

Tirlán Co-operative Society Limited

Parent Society Financial Statements
For the Financial Year Ended 4 January 2025

DIRECTORS’ RESPONSIBILITY STATEMENT

The Board of Directors is responsible for the preparation of the financial statements which give a true and fair view in accordance with applicable Irish law including the Industrial and Provident Societies Acts, 1893 – 2021 and Financial Reporting Standard 101 "Reduced Disclosure Framework" (FRS 101). In preparing the financial statements, the Board of Directors is required to:

- select suitable accounting policies 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 applicable accounting standards and identify the standards in question, subject to any material departures from those standards being disclosed and explained in the notes to the financial statements; 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 of Directors confirms that it has complied with the above requirements in preparing the financial statements.

The Board of Directors is responsible for keeping proper books of account such as are necessary to give a true and fair view of the state of affairs of the Society and to explain its transactions.

The Board of Directors is also responsible for safeguarding the assets of the Society and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INCOME STATEMENT

FOR THE FINANCIAL YEAR ENDED 4 JANUARY 2025

	Notes	2024 €'m	2023 €'m
Administration expenses		**(8.7)**	(6.3)
Other income		**0.2**	0.2
Operating loss	**5**	**(8.5)**	(6.1)
Income from shares in related companies	**6**	**29.0**	25.3
Interest receivable and similar income	**7**	**17.8**	2.3
Interest payable and similar expenses	**8**	**(5.4)**	(14.3)
Profit before taxation		**32.9**	7.2
Income taxes	**9**	**-**	-
Profit for the year		**32.9**	7.2

Seán Molloy **Michael Horan**

On behalf of the Board on 8 April 2025

STATEMENT OF COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 4 JANUARY 2025

	Notes	2024 €'m	2023 €'m
Profit for the financial year		**32.9**	7.2
Other comprehensive income			
Items that are not reclassified subsequently to the income statement			
Remeasurements on defined benefit pension scheme	17	**0.3**	(0.1)
Other comprehensive income for the year, net of tax		**0.3**	(0.1)
Total comprehensive income for the year		**33.2**	7.1

BALANCE SHEET

AS AT 4 JANUARY 2025

	Notes	2024 €'m	2023 €'m
ASSETS			
Non-current assets			
Property, plant and equipment	11	**0.3**	0.4
Intangible assets	12	**-**	-
Financial assets	13	**630.2**	630.2
Retirement benefit asset	17	**0.3**	0.1
Trade and other receivables	14	**28.8**	-
Total non-current assets		**659.6**	630.7
Current assets			
Trade and other receivables	14	**16.1**	45.1
Cash and cash equivalents	15	**2.5**	3.2
Total current assets		**18.6**	48.3
Total assets		**678.2**	679.0
EQUITY			
Share capital and share premium	18	**158.5**	158.6
Capital reserve		**20.8**	20.8
Retained earnings		**231.3**	219.7
Shareholder's equity		**410.6**	399.1
LIABILITIES			
Non-current liabilities			
Trade and other payables	16	**249.2**	264.5
Total non-current liabilities		**249.2**	264.5
Current liabilities			
Trade and other payables	16	**18.4**	15.4
Total current liabilities		**18.4**	15.4
Total liabilities		**267.6**	279.9
Total equity and liabilities		**678.2**	679.0

Seán Molloy **Michael Horan**

On behalf of the Board on 8 April 2025

STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 4 JANUARY 2025

	Share capital and share premium (note 18) €'m	Capital reserve (note a) €'m	Retained earnings €'m	Total €'m
Balance at 30 December 2023	**158.6**	**20.8**	**219.7**	**399.1**
Profit for the financial year	**-**	**-**	**32.9**	**32.9**
Remeasurements on defined benefit scheme, net of deferred tax	**-**	**-**	**0.3**	**0.3**
Total other comprehensive income for the financial year, net of tax	**-**	**-**	**0.3**	**0.3**
Total comprehensive income for the financial year	**-**	**-**	**33.2**	**33.2**
Shares issued	**0.4**	**-**	**-**	**0.4**
Cancellation of share capital	**(0.5)**	**-**	**-**	**(0.5)**
Ordinary share interest and distributions to Society shareholders (note 10)	**-**	**-**	**(21.6)**	**(21.6)**
Balance at 4 January 2025	**158.5**	**20.8**	**231.3**	**410.6**
Balance at 31 December 2022	**158.4**	**20.8**	**248.4**	**427.6**
Profit for the financial year	-	-	7.2	7.2
Remeasurements on defined benefit scheme, net of deferred tax	-	-	(0.1)	(0.1)
Total other comprehensive income for the financial year, net of tax	-	-	(0.1)	(0.1)
Total comprehensive income for the financial year	-	-	7.1	7.1
Shares issued	0.2	-	-	0.2
Ordinary share interest and distributions to Society shareholders (note 10)	-	-	(35.8)	(35.8)
Balance at 30 December 2023	**158.6**	**20.8**	**219.7**	**399.1**

(a) The capital reserve comprises of a capital redemption reserve which arose on the re-nominalisation of the Society's share capital on conversion to euro and a capital reserve which relates to the cancellation of Society shares.

NOTES TO THE SOCIETY FINANCIAL STATEMENTS

1. BASIS OF PREPARATION

Basis of preparation

Tirlán Co-operative Society Limited (the 'Society') is a society incorporated and domiciled in Ireland. The address of its registered office is Abbey Quarter, Kilkenny, Ireland, R95 DXR1.

The financial statements are prepared for the nearest Saturday to 31 December. Accordingly, these financial statements are prepared for the financial year ended 4 January 2025 (53 week year); comparatives are for the financial year ended 30 December 2023 (52 week year). The balance sheets for 2024 and 2023 have been drawn up as at 4 January 2025 and 30 December 2023 respectively. The financial statements are presented in euro millions to one decimal place (€'m) unless otherwise stated.

These financial statements were prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework ("FRS 101"). In preparing these financial statements, the Society applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the EU, but makes amendments where necessary in order to comply with the Industrial and Provident Societies Acts 1893-2021 and has set out below where advantage of the FRS 101 disclosures exemptions has been taken.

The Society has taken advantage of the following disclosure exemptions under FRS 101, where applicable:

- a Cash Flow Statement and related notes;
- comparative year reconciliations for share capital, tangible fixed assets, intangible assets and investment properties;
- additional comparative information;
- disclosures in respect of transactions entered into between two or more members of a group;
- disclosures in respect of capital management;
- the effects of new but not yet effective IFRSs;
- an additional balance sheet for the beginning of the earliest comparative year following the reclassification of items in the financial statements; and
- disclosures in respect of the compensation of key management personnel.

As the consolidated financial statements of the Society and its subsidiaries include the equivalent disclosures, the Society has also taken the exemptions under FRS 101 available in respect of the following disclosures where applicable:

- IFRS 2 'Share Based Payments' in respect of group settled share based payments;
- certain disclosures required by IAS 36 'Impairment of Assets' in respect of the impairment of goodwill and indefinite life intangible assets;
- disclosures required by IFRS 5 'Non-current Assets Held for Sale and Discontinued Operations' in respect of the cash flows of discontinued operations;
- certain disclosures required by IFRS 3 'Business Combinations' in respect of business combinations undertaken by the Society; and
- disclosures required by IFRS 13 'Fair Value Measurement' and IFRS 7 'Financial Instrument Disclosures'.

The financial statements have been prepared under the historical cost convention except, where applicable, as modified by use of fair values for certain other financial assets and derivative financial instruments.

1. BASIS OF PREPARATION - CONTINUED

Going concern

After making enquiries, the directors have a reasonable expectation that the Society has adequate resources to continue in operational existence for a period of at least 12 months from the date of approval of the financial statements. The Society therefore continues to adopt the going concern basis in preparing its financial statements. In reaching this conclusion the Directors have had due regard to:

- cash generation from Glanbia plc dividend income, available cash resources, and the maturity profile of its borrowings of which taken together provide confidence that the Society will be able to meet its obligations as they fall due;
- the nature of its business activities and the factors likely to impact operating performance; and
- the operating performance and future growth of the Society's subsidiaries, associates and joint ventures.

2. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The Society makes estimates and assumptions concerning the future. The resulting accounting estimates may not equal the related actual results. Revisions to estimates are recognised prospectively. There were no critical accounting estimates or judgements used in the preparation of these financial statements for 2024 or 2023.

3. ACCOUNTING POLICIES

The material accounting policies of the Society which are outlined below have been applied consistently throughout the current and prior year.

(a) Financial assets

Investments in subsidiaries, associates and joint ventures are held at cost less, if any, accumulated impairment. The Society assesses investments for impairment whenever events or changes in circumstances indicate that the carrying value of an investment may not be recoverable. If any such indication of impairment exists, the Society makes an estimate of its recoverable amount. When the carrying amount of an investment exceeds its recoverable amount, the investment is considered impaired and is written down to its recoverable amount. In the opinion of the Directors the shares in subsidiaries, associates and joint ventures are worth at least the amounts at which they are stated on the balance sheet.

(b) Trade and other receivables

Trade and other receivables are classified and measured at amortised cost as they are held to collect contractual cash flows which comprise solely payments of principal and interest, where applicable. They are recognised initially at fair value plus transaction costs, except trade receivables that do not contain significant financing components which are recognised at transaction price. They are subsequently measured at amortised cost using the effective interest method less expected credit loss allowance.

3. ACCOUNTING POLICIES - CONTINUED

(b) Trade and other receivables - continued

The Society recognises an allowance for expected credit losses (ECL) for financial assets not held at fair value through profit or loss. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECL are provided for credit losses that result from default events that are possible within the next 12 months. For those credit exposures for which there has been a significant increase in credit risk since initial recognition or where there has been a credit impaired event, a lifetime expected loss allowance is recognised, irrespective of the timing of the default.

The Society applies the IFRS 9 simplified approach to measure ECL which uses a lifetime expected loss allowance for all trade receivables. A loss allowance for the amount of receivables that is subject to credit risk is estimated based on expected credit losses. To measure ECL, historical loss rates are calculated based on historical credit loss experience. The loss allowance based on historical loss rates is adjusted where appropriate to reflect current information and forward-looking information on macroeconomic factors, which affect the ability of the debtors to settle the receivables. The above financial assets are written off when there is no reasonable expectation of recovery such as a debtor failing to engage in a repayment plan with the Society. Subsequent recoveries of amounts previously written off are credited against administration costs in the income statement.

(c) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, deposits held on call with banks and other short–term highly liquid investments with original maturities of three months or less.

(d) Trade and other payables

Trade and other payables are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method.

(e) Employee benefits

Pension obligations

The Society has both defined benefit and defined contribution plans. The plans are funded through payments to trustee-administered funds.

Defined contribution pension

A defined contribution plan is a pension plan under which the Society pays fixed contributions into a separate entity. The Society has no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior years. The contributions are recognised as an employee benefit expense in the income statement when they are due.

Defined benefit plans

Defined benefit plans define an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation. The asset/(liability) recognised in the balance sheet in respect of the defined benefit pension plan is the present value of the defined benefit obligation at the reporting date less the fair value of the plan assets. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension obligation.

3. ACCOUNTING POLICIES - CONTINUED

(e) Employee benefits - continued

Defined benefit pension plans - continued

The fair value of plan assets is based on market price information and in the case of quoted securities in active markets it is the published bid price. Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the year in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet. Remeasurements are not reclassified to the income statement in subsequent years.

A curtailment arises when the Group significantly reduces the number of employees or employee entitlements covered by a plan. A past service cost may be either a loss (when benefits are introduced or changed so that the present value of the defined benefit obligation increases) or a gain (when benefits are withdrawn or changed so that the present value of the defined benefit obligation decreases).

A settlement occurs when an entity enters into a transaction that eliminates all further legal or constructive obligation for part or all of the benefits provided under a defined benefit plan (other than a payment of benefits to, or on behalf of, employees in accordance with the terms of the plan and included in the actuarial assumptions).

The gain or loss on a settlement is the difference between:
(i) the present value of the defined benefit obligation being settled, as determined on the date of settlement; and
(ii) the settlement price, including any plan assets transferred and any payments made directly by the entity in connection with the settlement.

(f) Ordinary share interest

Ordinary share interest reflects distributions on the ordinary shares, and are recognised as a liability of the Society when approved by the Society's members.

(g) Distributions to Society members

Pursuant to rule 98 of the Society, the Board may distribute part of the reserves of the Society to members based on their shareholding or trading with the Society. Such distributions can include rebates, bonus issues of shares or loan stock, share buy backs and interest free support. These distributions are recorded in retained earnings as distributions to members when approved by the Society's members.

(h) Dividend income

Dividend income is recognised in the income statement on the date the entity's right to receive payments is established.

(i) Interest receivable and interest payable

Interest payable and similar charges include where applicable, interest payable on borrowings calculated using the effective interest method, the unwinding of the discount on provisions and the interest expense component of lease liabilities. Interest income and interest expense is recognised in the income statement as it accrues, using the effective interest method.

3. ACCOUNTING POLICIES - CONTINUED

(j) Taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the income statement except to the extent that it relates to items recognised in other comprehensive income or directly in equity, in which case the tax is also recognised in other comprehensive income or directly in equity, respectively.

Current tax

Current tax is calculated on the basis of tax laws enacted or substantively enacted at the Society balance sheet date in countries where the Society operates and generates taxable income, taking into account adjustments relating to prior years. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax legislation is subject to interpretation and establishes provisions, where appropriate, on the basis of amounts expected to be paid to the tax authorities.

Deferred tax

Deferred tax is provided using the liability method on temporary differences arising on the reporting date between the tax bases of assets and liabilities and their carrying amount in the financial statements. Deferred tax is determined using tax rates and laws enacted or substantively enacted by the reporting date.

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred tax is provided on temporary differences arising on investments except where the timing of the reversal of the temporary difference can be controlled by the Society and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax is not recognised for temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and at the time of the transaction (i) affects neither accounting nor taxable profit or loss and (ii) does not give rise to equal taxable and deductible temporary differences.

The Society applies the IAS 12 exception to recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes.

(k) Exceptional items

The Society highlights significant items within the results for the year as exceptional items. Such items may include impairment of assets, including significant adjustments arising from the re-assessment of asset lives, adjustments to contingent consideration, significant acquisition integration costs, gains/losses related to and/or associated with step acquisitions, restructuring costs including termination benefits, profit or loss on disposal or termination of operations, significant reorganisation programmes that may span over a reporting period or periods, significant acquisition costs, litigation settlements, legislative changes, gains or losses on defined benefit pension plan restructuring, external events including disasters relating to weather, pandemics, wars and other acts of God and natural disasters and profit or loss on disposal of investments. Judgement is used by the Society in assessing the particular items which by virtue of their scale and/or nature should be disclosed in the income statement and noted as exceptional items.

(l) Share capital

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

3. ACCOUNTING POLICIES - CONTINUED

(m) Foreign currency translation

Functional and presentation currency

Items included in the financial statements of the Society are measured using the currency of the primary economic environment in which the entity operates (the functional currency). The consolidated financial statements are presented in euro, which is the Society's functional currency and the Society's presentation currency.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the date of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions are recognised in the income statement, except when deferred in equity as qualifying cashflow hedges or net investment hedges. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the reporting date. Currency translation differences on monetary assets and liabilities are taken to the income statement, except when deferred in equity in the currency translation reserve as qualifying cash flow hedges.

(n) Exchangeable bond

The exchangeable bond (note 16) includes a cash settlement option whereby the Society may deliver either a fixed number of shares to the holder or an amount of cash equal to the market value of the fixed number of shares on the date of conversion. This convertible bond option is accounted for as a derivative liability (note 16). The convertible debt is a hybrid instrument containing a host debt contract and a convertible option component (written call option over Glanbia plc shares). The conversion option element is measured at fair value with changes in fair value recognised in profit or loss. The host bond is initially recognised at fair value and subsequently at amortised cost (note 16).

4. PRINCIPAL ACTIVITIES

The principal activity of the Society is the holding of investments.

5. OPERATING LOSS

	2024	**2023**
	€'m	**€'m**
Operating loss is stated after charging/(crediting):		
Employee benefits	**0.6**	0.9
Board, council and committee expenses	**1.5**	1.1
Charges for services provided by related companies	**2.9**	3.0
Legal and professional fees	**0.6**	0.7
Special General Meeting Costs	**1.5**	-
Other	**1.6**	0.6
Other income	**(0.2)**	(0.2)
	8.5	6.1

Directors' fees paid during the year ended 4 January 2025 were €0.8 million (2023: €0.6 million).

6. INCOME FROM SHARES IN RELATED COMPANIES

	2024 €'m	2023 €'m
Dividend income from ordinary shares in Glanbia plc	**27.9**	25.3
Dividend income from ordinary shares in Quinport Limited	**1.1**	-
	29.0	25.3

7. INTEREST RECEIVABLE AND SIMILAR INCOME

	2024 €'m	2023 €'m
Rental income	0.3	0.3
Interest on loan to Tirlán Limited	1.6	2.0
Remeasurement of convertible bond option	15.9	-
Total interest receivable and similar income	**17.8**	2.3

8. INTEREST PAYABLE AND SIMILAR EXPENSES

	2024 €'m	2023 €'m
Finance cost of bond	5.4	5.4
Remeasurement of convertible bond option	-	8.9
Total interest payable and similar expenses	5.4	14.3

9. TAXATION

	2024 €'m	2023 €'m
Irish corporation tax	**-**	-
Current tax on income for the year	**-**	-
Total current tax charge	**-**	-
Deferred tax	**-**	-
Origination and reversal of temporary difference	**-**	-
Total deferred tax charge	**-**	-
Total tax charge on profit on ordinary activities	**-**	-

Reconciliation of the total tax expense

The tax charge for the year is different than the tax charge that would result from applying the standard rate of Irish corporation tax to the profit on ordinary activities before taxation. The differences are explained below.

	2024 €'m	2023 €'m
Profit on ordinary activities before taxation	**32.9**	7.2
Income tax calculated at Irish rate of 12.5% (2023: 12.5%)	**4.1**	0.9
Income taxable at passive Irish rates	**-**	0.3
Non-taxable income	**(3.6)**	(3.2)
Expenses of management	**-**	0.3
Group relief	**0.3**	-
Other reconciling items	**(0.8)**	1.7
Total tax charge	**-**	-

9. TAXATION - CONTINUED

Factors affecting future tax charges
The total tax charge in future periods will be affected by changes to the applicable Irish tax rates, other relevant changes in legislation and the availability of losses for surrender by fellow Group undertakings.

The tax charge for the financial year has been increased by €0.3m (2023: €Nil) because of tax losses surrendered to fellow Group undertakings by the Society. No payment for this surrender is to be received by the Society.

10. ORDINARY SHARE INTEREST AND APPROPRIATIONS

	Notes	2024 €'m	2023 €'m
Ordinary share interest to Society shareholders	(a)	**7.1**	6.5
Distribution to Society shareholders – patronage rebates		**0.1**	0.1
Distribution to Society shareholders – member supports	(b)	**14.4**	29.2
		21.6	35.8

(a) Ordinary share interest paid in 2024 was 20.96 cent per share on 34.0 million shares (2023: 19.058 cent per share on 34.0 million shares).

(b) Details of the member supports are as follows:

During 2021, at a SGM of the Society, members of the Society approved the establishment of the 2022 Member Distribution Reserve from the aggregate income of the Society which can be allocated to Society members holding €1 in share capital of the Society and who at the time of the allocation supply milk, green grain or dried grain or purchase fertiliser, feed or engage in trade of any other nature with any member of the Society Group. The Board has sole discretion in respect of any decision to make such allocations.

During 2023 and 2024, in accordance with the terms of the 2022 Member Distribution Reserve and pursuant to rule 98 of the Society, the Board approved the below supports to members of the Society:

- three units of €1 loan stock to members for every 100 litres of milk supplied to the Society or its subsidiaries in June 2023
- two units of €1 loan stock to members for every 100 litres of milk supplied to the Society or its subsidiaries in July 2023
- three units of €1 loan stock to members for every 100 litres of milk supplied to the Society or its subsidiaries in September 2023
- one unit of €1 loan stock to members for every 100 litres of milk supplied to the Society or its subsidiaries in August 2024
- three units of €1 loan stock to members for every 100 litres of milk supplied to the Society or its subsidiaries in September 2024

The total support provided in 2024 was €13.1 million (2023: €28.5 million of which €21.7 million was allocated from the 2019 SGM approved patronage rebate fund and €6.8 million was allocated from the 2022 Member Distribution Reserve).

A term of the administration of the 2022 Member Distribution Reserve is that to the extent that an allocation to active Members is based solely on supply or purchasing activity or a combination of such activities, the Board shall in each financial year make a further allocation to all Members who hold Ordinary Shares of €1 each in the capital of the Society in an amount no less than one tenth of the aggregate allocation made solely to active Members in that same financial year. Accordingly, for 2024 a further allocation of €1.3 million (2023: €0.7 million) was accrued at 4 January 2025. This will be allocated to members in the form of units of €1 loan stock during 2025.

11. PROPERTY, PLANT AND EQUIPMENT

	Land and buildings €'m	Plant and equipment €'m	Total €'m
Cost			
Balance 30 December 2023 and 4 January 2025	**3.3**	**1.4**	**4.7**
Depreciation			
Balance at 30 December 2023	**2.9**	**1.4**	**4.3**
Depreciation charge for the year	**0.1**	**-**	**0.1**
At 4 January 2025	**3.0**	**1.4**	**4.4**
Carrying amount			
At 30 December 2023	0.4	-	0.4
At 4 January 2025	**0.3**	**-**	**0.3**

12. INTANGIBLE ASSETS

	Software Costs €'m
Cost	
Balance 30 December 2023 and 4 January 2025	**0.8**
Amortisation	
Balance at 30 December 2023 and 4 January 2025	**0.8**
Carrying amount	
At 30 December 2023 and 4 January 2025	-

13. FINANCIAL ASSETS

	Investments in related companies €'m	Total €'m
At 30 December 2023 and 4 January 2025	**630.2**	**630.2**

The investments in Group companies are as follows:

Incorporated and operating in Ireland	Registered office	Principal activity	Beneficial interest %
Associates:			
Glanbia plc	Glanbia House, Kilkenny	Global nutrition group	29.2
Subsidiaries:			
Tirlán Limited	Abbey Quarter, Kilkenny	Milk products, consumer goods and agri trading	100
Quinport Limited	Abbey Quarter, Kilkenny	Investment holding	100
Robinfield Co-operative Society Limited	Abbey Quarter, Kilkenny	Investment holding	100
Slademore Limited	Abbey Quarter, Kilkenny	Investment holding	100

All beneficial interests are in the form of ordinary shares.

At 4 January 2025, the Society's shareholding in Glanbia plc consisted of 75.5 million ordinary shares (2023: 75.5 million ordinary shares) at a market value of €14.05 per share (2023: €14.30 per share) giving a total market value of €1,061.3 million (2023: €1,080.2 million).

In the opinion of the Directors the shares in the related undertakings are worth at least the amounts at which they are stated in the balance sheet.

14. TRADE AND OTHER RECEIVABLES

	Notes	2024 €'m	2023 €'m
Amounts owed by Group undertakings	(a)	**44.2**	44.1
Other debtors		**0.7**	1.0
		44.9	45.1
Non-current			
Amounts owed by Group undertakings	(a)	**28.8**	-
Current		**16.1**	45.1

Note (a): €11.4 million (2023: €11.3 million) of amounts due from Group undertakings are interest free, unsecured and payable on demand. €32.8 million (2023: €32.8 million) of amounts due from Group undertakings are interest bearing ranging from 4.0% to 5.7% (2023: 3.6% to 5.7%) and unsecured, of which €4.0 million (2023: €4.0 million) is payable on demand. There is no material ECL in respect of amounts owed by Group understakings as at 4 January 2025 or 30 December 2023.

15. CASH AND CASH EQUIVALENTS

	2024 €'m	2023 €'m
Cash at bank and in hand	**2.5**	3.2

16. TRADE AND OTHER PAYABLES

	2024 €'m	2023 €'m
Current		
Amounts due to Group undertakings	**1.7**	1.3
Accruals	**9.3**	8.1
Secured exchangeable bond (note (a))	**(0.7)**	(0.7)
Dividends payable	**8.1**	6.7
	18.4	15.4
Non current		
Secured exchangeable bond (note (a))	**237.8**	237.2
Convertible bond option – fair value through profit or loss (note (b))	**11.4**	27.3
	249.2	264.5
Total	**267.6**	279.9

(a) In January 2022, a secured exchangeable bond of €250.0 million was issued at a fixed rate of 1.875% (payable half yearly) with a bullet repayment in January 2027 unless redeemed earlier at the option of the Society. Included within the carrying value of the secured exchangeable bond are deferred debt issue costs of €1.4 million (2023: €2.1 million), all of which is recognised in finance costs in the income statement using the effective interest rate method over the remaining life of the bond.

(b) The secured exchangeable bond includes a cash settlement option whereby the Society may deliver either a fixed number of shares to the holder or an amount of cash equal to the market value of the fixed number of shares on the date of conversion. This convertible bond option is accounted for as a derivative liability containing a host debt contract and a convertible option component (written call option over Glanbia plc shares). The conversion option element is measured at fair value with changes in fair value recognised in profit or loss. Fair value movement in the year amounted to a €15.9 million gain to the income statement (2023: €8.9 million loss).

17. RETIREMENT BENEFIT OBLIGATIONS

Defined contribution plan

The Society operates a defined contribution pension plan. The total expense relating to the plan in the current year was €nil (2023: €nil).

Defined benefit plan

The defined benefit pension plan is administered by Boards of Trustees through separate trustee controlled funds. These Boards are responsible for the management and governance of the plan including compliance with all relevant laws and regulations. The Society's plan operates under its respective regulatory framework and minimum funding requirements. The plan is closed to new entrants.

17. RETIREMENT BENEFIT OBLIGATIONS – CONTINUED

The defined benefit pension plan provides retirement and death benefits for the Society's scheme members. The defined benefit pension plan is a career average pension plan, which provides benefits to members in the form of a guaranteed level of pension payable for life. The level of benefits provided depends on members' length of service and their average salary over their year of employment.

The contributions paid to the defined benefit pension plan are in accordance with the schedule of contributions agreed between the Society and the Trustees of the plan as recommended in the actuarial valuation report or in subsequent actuarial advice. The contributions are partly funded by the employees, where they are required to contribute a fixed percentage of pensionable salary, and partly by the Society. The latest actuarial valuation report for this plan, which are not available for public inspection, is dated 1 January 2024.

	2024 €'m	2023 €'m
Fair value of plan assets	**2.7**	2.5
Present value of funded obligations	**(2.4)**	(2.4)
Net defined benefit asset	**0.3**	0.1

Movements in net defined benefit asset:

	Defined benefit liability		Fair value of plan assets		Net defined benefit asset	
	2024 €'m	2023 €'m	2024 €'m	2023 €'m	2024 €'m	2023 €'m
Balance at beginning of the year	**(2.4)**	(2.3)	**2.5**	2.3	**0.1**	-
Interest (expense)/income	**(0.2)**	(0.1)	**0.1**	0.2	**(0.1)**	0.1
Total amount recognised in profit or loss	**(0.2)**	(0.1)	**0.1**	0.2	**(0.1)**	0.1
Remeasurements						
– Assumption changes	**0.1**	(0.1)	**0.2**	-	**0.3**	(0.1)
Total amount recognised in other comprehensive income	**0.1**	(0.1)	**0.2**	-	**0.3**	(0.1)
Contributions paid by the employer	**-**	-	**-**	0.1	**-**	0.1
Benefits paid	**0.1**	0.1	**(0.1)**	(0.1)	**-**	-
Balance at end of the year	**(2.4)**	(2.4)	**2.7**	2.5	**0.3**	0.1

	2024			2023		
	Quoted €'m	Unquoted €'m	Total €'m	Quoted €'m	Unquoted €'m	Total €'m
Equities*	**0.6**	**-**	**0.6**	0.5	-	0.5
Corporate bonds						
– Investment grade	**0.2**	**-**	**0.2**	0.2	-	0.2
Government bonds and gilts	**1.5**	**-**	**1.5**	1.3	-	1.3
Property	**-**	**0.1**	**0.1**	-	0.1	0.1
Investment funds	**0.3**	**-**	**0.3**	0.4	-	0.4
	2.6	**0.1**	**2.7**	2.4	0.1	2.5

17. RETIREMENT BENEFIT OBLIGATIONS – CONTINUED

* There is no emphasis on any industry. Industries that the plan assets are invested in include consumer, financials, healthcare, industrials and information technology.

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

Investment risk

The responsibility for setting the investment policy for each of the Tirlán defined benefit schemes lies with the trustees of each scheme (the "Trustees") who act in consultation with Tirlán.

The Trustees carry out regular investment strategy reviews to determine an appropriate investment strategy having regard to the nature of the relevant scheme. In particular, the Trustees aim to manage interest rate risk by holding bonds of an appropriate duration. This is largely achieved by holding Eurozone government bonds but also by holding assets such as corporate bonds and other credit type assets for diversification. In this way, on an overall basis, the scheme assets are reasonably well matched to the scheme liabilities from an interest rate hedging perspective. This interest rate hedging is crucial in terms of reducing volatility of funding levels. However, it should be noted that holding government bonds will not necessarily match the liabilities on the IAS19 basis as the IAS19 liabilities are determined by reference to corporate bonds rather than government bonds.

During 2024, due to strong equity performance and in common with many Irish pension schemes, there has been an opportunity to de-risk by selling equity, property and diversified growth assets and purchasing Eurozone government bonds. The Trustees of the Tirlán pension schemes, with support from Tirlán, have agreed to proceed with some de-risking. While this results in a significant holding in one particular category of asset (i.e. Eurozone government bonds), this will provide a significant level of interest rate hedging. There is a minor risk arising from the possibility of Eurozone governments defaulting on the bonds underlying these investments. However, this risk is mitigated by investing in high quality government bonds rated at AAA / AA.

The Trustees also partially invest in equity, diversified growth and property assets to back longer-term liabilities in respect of non-pensioners. While there is market risk attaching to these assets, this risk is somewhat limited given that these funds are well diversified and the overall growth asset allocation has reduced considerably given recent investment de-risking exercises noted above.

Interest rate risk

A decrease in corporate bond yields will increase plan liabilities, although this will be partially offset by an increase in the value of the plans' bond holdings. A change in the defined benefit obligation as a result of changes in the discount rate leads to volatility in the balance sheet, income statement and statement of comprehensive income. It also impacts the funding requirements for the plans.

Inflation risk

A significant proportion of the benefits under the plans are linked to inflation. Although the plan's assets are expected to provide a good hedge against inflation over the long term, movements over the short term could lead to further deficits emerging.

Mortality risk

In the event that members live longer than assumed a further deficit will emerge in the schemes.

17. RETIREMENT BENEFIT OBLIGATIONS – CONTINUED

Actuarial assumptions

The following are the principal actuarial assumptions at the reporting date:

	2024	2023
Discount rate	**3.5%**	**3.2%**
Inflation rate	**1.9%**	**2.0%**
Future salary increases*	**4.0%**	**3.0%**
Future pension increases	**0.0%**	**0.0%**
Mortality rates (years)		
– Male – reaching 65 years of age in 20 years' time	**23.4**	**24.3**
– Female – reaching 65 years of age in 20 years' time	**25.9**	**26.4**
– Male – currently aged 65 years old	**22.0**	**22.1**
– Female – currently aged 65 years old	**24.5**	**24.4**

*The defined benefit pension plan is on a career average structure therefore this assumption does not have a material impact.

Assumptions regarding future mortality experience are set based on actuarial advice in accordance with published statistics and experience in each territory.

Sensitivity analysis for principal assumptions used to measure scheme liabilities

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, inflation rate and mortality. The sensitivity analyses below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

2024 Assumption	Change in assumption	Increase €'m	Decrease €'m
Discount rate	0.5% movement	**(0.2)**	**0.2**
Price inflation	0.5% movement	**-**	**-**
Mortality	1 year movement	**(0.1)**	**0.1**
Future salary increases *			
Future pension increases **			

2023 Assumption	Change in	Increase €'m	Decrease €'m
Discount rate	0.5% movement	(0.2)	0.2
Price inflation	0.5% movement	-	-
Mortality	1 year movement	(0.1)	0.1
Future salary increases *			
Future pension increases **			

* The majority of the defined benefit schemes are career average plans. As a result, future salary increases will not have a material impact on the plan liabilities.

** There are no future pension increases agreed in the defined benefit pension scheme.

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the changes in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

17. RETIREMENT BENEFIT OBLIGATION – CONTINUED

In presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

	2024	**2023**
Expected contributions to post-employment defined benefit plans (€'m)	**0.1**	0.1
Weighted average duration of the defined benefit obligation (years)	**14.0**	14.0

18. SHARE CAPITAL AND SHARE PREMIUM

	Number of shares					
	Ordinary 'A' shares (millions)	**'C' shares (millions)**	**Ordinary 'A' shares €'m**	**'C' shares €'m**	**Share premium €'m**	**Total €'m**
At 31 December 2022	34.0	11,535.8	34.0	115.4	9.0	158.4
Issuance of shares - note (a)	-	-	-	-	0.2	0.2
At 30 December 2023	**34.0**	**11,535.8**	**34.0**	**115.4**	**9.2**	**158.6**
Issuance of shares - note (a)	**0.1**	**-**	**0.1**	**-**	**0.3**	**0.4**
Shares cancelled - note (b)	**(0.5)**	**-**	**(0.5)**	**-**	**-**	**(0.5)**
At 4 January 2025	**33.6**	**11,535.8**	**33.6**	**115.4**	**9.5**	**158.5**

Note (a): During 2024, 83,000 (2023: 54,586) ordinary shares with a nominal value of €1 were issued to new members of the Society at €5 per share, of which €0.1 million (2023: €0.1 million) were fully paid for at 4 January 2025. The remaining balance will be received via deduction from milk payments up to 2026.

Note (b): During 2024, 530,299 (2023: nil) ordinary shares with a nominal value of €1 were cancelled.

The 'A' ordinary shares have a nominal value of €1 and four classes of membership A1, A2, A3 and A4. The shares held by a member in any class carry the designation of that class of membership. The rights of each class differ as follows:

- A1 members have all the rights of membership provided for in the rules of the Society except for those applying only to A4 members;
- A2 members are entitled to vote in elections in the Society but are not entitled to participate in any such elections as a candidate or proposer or seconder of a candidate. They are not entitled to receive notice of or vote on any special resolution or on any resolution to amend, delete or add to the rules of the Society, but are entitled to receive notice of and vote on all other resolutions at any general meeting of the Society.
- A3 members do not have the right to receive notice of any meeting of the Society or to attend or vote at any such meeting or to participate in any way in any elections in the Society.
- A4 members have the rights and entitlements attaching to corporate members and A4 shares rank pari passu with the A1 shares.

The 'C' shares have five sub-classes; Class C1, Class C2, Class C3, Class C4 and Class C5. The 'C' shares each have a nominal value of €0.01. The 'C' shares are not entitled to notice of or attendance or voting at general meetings of the Society. They do not entitle the holders to participate in any allocation of net surplus, interest or dividend on share capital or allocation of bonus shares unless otherwise specifically determined by the Board at its sole discretion. The Board may redeem the 'C' shares of any member at any time with the consent of that member. The 'C' shares rank ahead of the ordinary shares in the repayment of the nominal amount paid up thereof, but do not entitle the holder to participate in the distribution of any surplus assets. The 'C' shares are held by a member of the Tirlán Co-operative Society Limited Group and therefore eliminate on consolidation.

19. COMMITMENTS

Refer to note 35 of the Group financial statements

20. RELATED PARTY TRANSACTIONS

The Directors of the Society including their connected persons did not enter into any transactions with the Society in the current or preceding year and had no receivable or payable balances outstanding at 4 January 2025 and 30 December 2023.

Transactions with joint ventures and associates

The Society provides and receives management and administrative services to and from its joint ventures and associates, which are settled in cash.

(i) Dividends received

	2024	**2023**
	€'m	**€'m**
Glanbia plc	**27.9**	25.3

(ii) Sales and purchases of goods and services

	2024	**2023**
	€'m	**€'m**
Sales of services:		
– Associates	**0.3**	0.3
Purchases of services:		
– Associates	**0.8**	1.5

(iii) Year end balances

	2024	**2023**
	€'m	**€'m**
Payables to related parties:		
– Associates	**-**	0.2

The outstanding balances included in receivables and payables at the balance sheet date in respect of transactions with related parties are unsecured, interest free and settlement arises in cash. No guarantees have been given or received. All outstanding balances are deemed to be fully recoverable by the Society.

20. RELATED PARTY TRANSACTIONS – CONTINUED

(iv) Loans to joint ventures and associates

	2024 €'m	2023 €'m
Loans receivable		
At the beginning of the year	**32.8**	50.8
Loans repaid during the year	**-**	(18.0)
At the end of the year	**32.8**	32.8
Interest on loans receivable		
At the beginning of the year	**0.2**	0.2
Interest charged	**1.5**	2.0
Interest received	**(1.5)**	(2.0)
At the end of the year	**0.2**	0.2
Total loan and interest receivable at the end of the year	**33.0**	33.0

Refer to note 38 of the Group financial statements for further details on the above loans.

21. POST BALANCE SHEET EVENTS

Refer to note 39 of the Group financial statements.

22. APPROVAL OF THE FINANCIAL STATEMENTS

The Board of Directors approved the financial statements on 8 April 2025.