



**Annual
Report
2025**

From Irish grasslands to global tables



Ornua is an Irish dairy co-operative that markets and sells dairy products on behalf of its Members, Ireland's dairy processors and, in turn, Irish dairy farmers.

Ornua is Ireland's largest exporter of Irish dairy products and has annualised sales of €3.5 billion. Headquartered in Dublin, Ornua has a global team of 2,700 employees, operating from 10 business units worldwide, including 12 production facilities.

Ornua's purpose is to create value for Irish dairy farming families. It achieves this through: the marketing and sales of consumer brands, including Ireland's most successful food export Kerrygold, as well as Kerrygold Dubliner, Pilgrims Choice, Forto and BEO milk powders; the procurement of dairy products, and sale of dairy ingredients solutions to food manufacturing and foodservice customers across the world.



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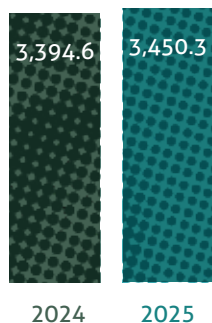
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Financial Highlights

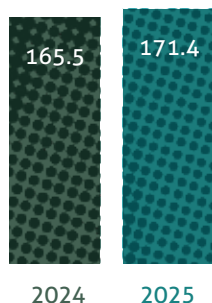
€3,450.3 m

Turnover €m



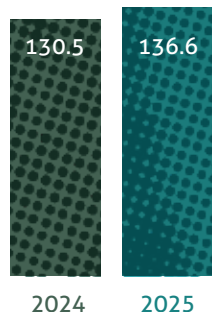
€171.4 m

Group EBITDA* €m
*Pre Ornu Value Payment



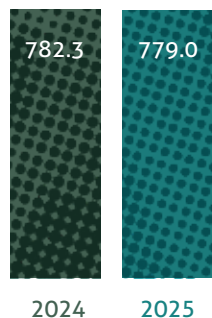
€136.6 m

Operating Profit* €m
*Pre Ornu Value Payment



€779.0 m

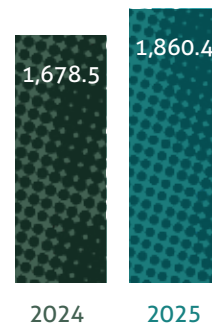
Net Assets



Returning Value to Irish Farming Families

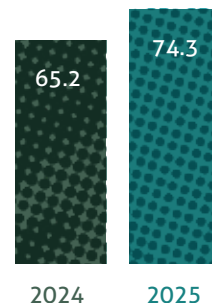
€1,860.4 m

Premium Dairy Products €m
Ornu purchased €1,860.4 million premium Irish dairy products from Member Co-operatives in 2025.



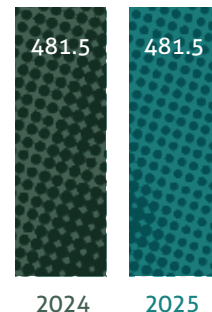
€74.3 m

Ornu Value Payments paid on product supplied in the year €m
Value-added routes to market generated €74.3m in additional premiums and bonuses paid to Member Co-operatives.

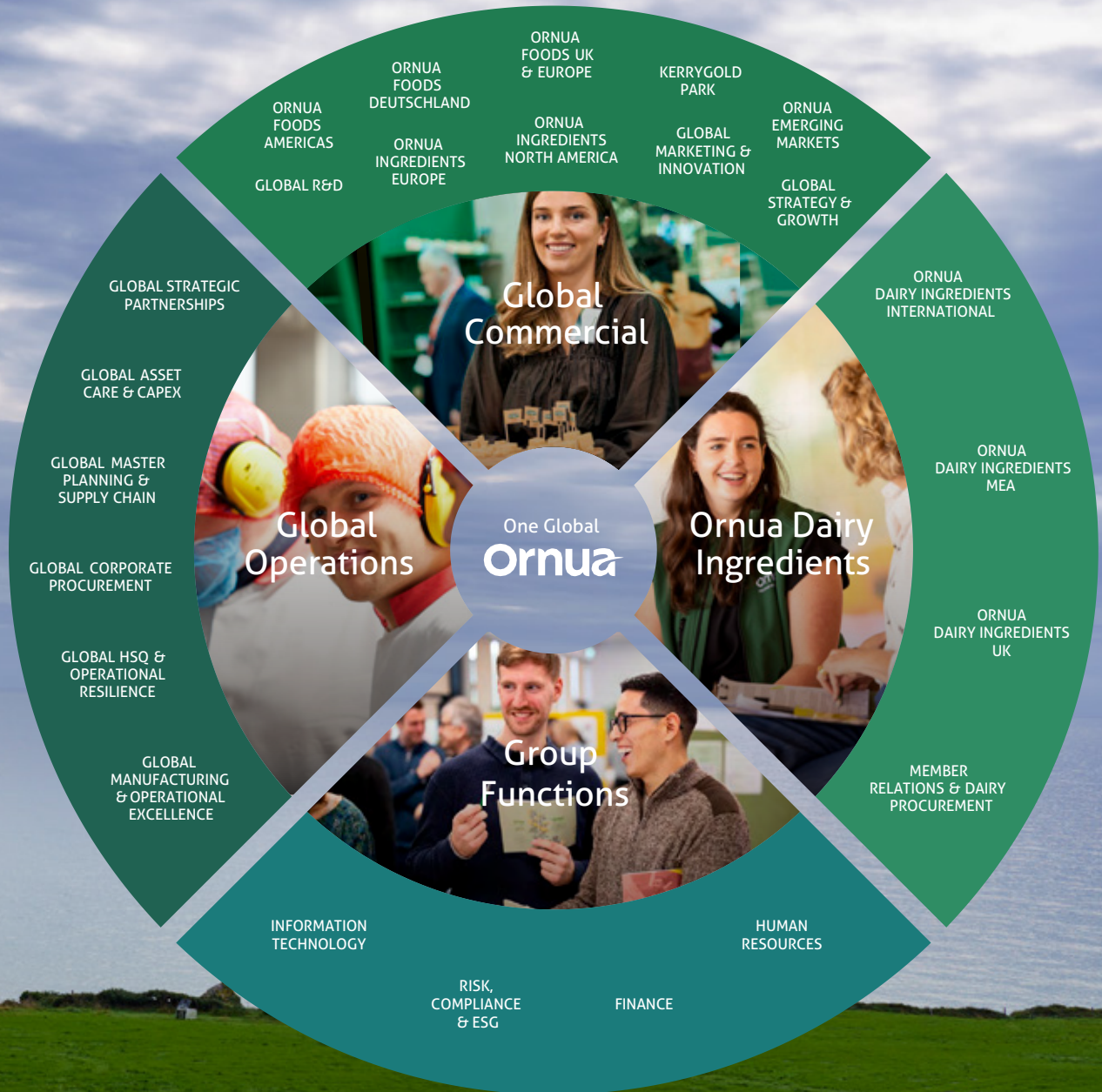


€481.5 m

Working Capital Facilities €m
Ornu provided up to €481.5 million in working capital facilities to Member Co-operatives.



One Global Ornuia – Our Operating Model



One Global Ornuia is our new Operating Model which was introduced in 2025 and enhances how we work together to deliver growth across our global business.



Transforming for **GROWTH**

For Ornua, growth means combining tradition with transformation – embracing innovation, sustainability, and agility to convert change to opportunity.

By evolving how we work, produce and deliver high-quality dairy to the world, we will drive meaningful progress and growth for our customers, our Member Co-operatives, their farm families, and our One Global Ornua team.

We have introduced a new five-year strategy to 2030 with a clear ambition: to build the Ornua of the Future – that means becoming a global leader in premium dairy that generates long-term value for Irish farming families.

We will achieve this through world-class commercial execution, strengthening operational excellence, and enabling transformation powered by our people, digital, ESG, finance, and robust risk management.

Transforming for Growth will deliver stronger profits, better margins, greater value for our Members, and reinvestment in our people and business. It calls on every team to act as One Global Ornua, drive efficiency through simplicity, focus on profitable value growth, and live our values every day.

In the face of change, we don't stand still. We transform and grow.

In the face of change, we don't stand still.

We transform and grow.

Our Purpose

Creating Value for Irish Farming Families.



Our Vision

To be a global leader in premium dairy products.



Value Drivers

 PRODUCT PRICE	 ORNUA VALUE PAYMENT	 MEMBER SERVICES	 MARKET SERVICES
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Strategic Pillars

Pillar 1 WORLD-CLASS COMMERCIAL EXECUTION	Brands 3x30 Grow the value of our brands to €3 billion by 2030	Ornua Food Solutions Power customer success through world-class value-add ingredients	Ornua Dairy Ingredients Be the partner of choice for our Member Co-operatives
Pillar 2 OPERATIONAL EXCELLENCE	One Team One Plan Integrate operations supported by strong leadership & a connected global team	Supply Chain Efficiency Drive efficiencies across the supply chain via industry best practices	Manufacturing Simplicity Simplify Ornua's global manufacturing footprint
Pillar 3 STRATEGIC ENABLERS	One Global Ornua Powered by Our People	High Impact Digital & Tech Common Ground ESG Strategy	Forward Thinking Finance Integrated & Impactful Risk & Compliance



Delivering Value in a Volatile Market Environment

Ornua delivered a resilient performance in 2025 against very turbulent market conditions reaffirming the enduring strength of the co-operative model and the organisation's ability to deliver on its purpose of creating value for Member Co-operatives and Irish dairy farming families. The combination of a world-class product portfolio, a well-invested international network, and strong customer partnerships continue to ensure quality food from the hard work of Irish dairy farmers can be appreciated in homes around the world.

Market Turbulence

Global dairy markets experienced fluctuating supply levels and shifting demand patterns, while at home, processors and producers felt the impact of this volatility, in addition to uncertainty around regulatory developments and unpredictable weather conditions. We fully recognise the very real challenges farmers have faced and continue to face. The organisation's priority is to support their long-term viability through value creation on a consistent basis.

Ornua's total purchases of premium Irish dairy products from Member Co-operatives reached €1.8 billion in the year, reflecting the robust product prices paid to Member Co-operatives during a mixed year for processors.

This was further supported with payments of the Ornua Value Payment of €74.3m, made up of cash bonuses and additional premiums paid to Member Co-operatives for product purchased in the year, and of which €69.7m was charged to the Group Income Statement in the year.

Global Dairy Markets Review

Global milk supply expanded much more strongly than expected during 2025, rising by 2.5%, with all major regions contributing to growth. Higher EU-27 yields, supported by favourable conditions early in the year and improved farm margins, drove increased production of cheese, butter, and skim milk powder. While global dairy demand remained generally firm, momentum softened through the summer as European retail growth slowed, exports eased, and foodservice demand lagged.

With supply outpacing demand, dairy commodity availability increased and prices fell sharply. Farm-gate milk prices weakened in the final quarter as a result. Although European commodity prices have shown some signs of stabilising early this year, a meaningful recovery will depend on supply moderation.

Securing the Future for Irish Dairy

Following a period of much uncertainty, confirmation of the extension of Ireland's nitrates derogation for the next three years,

brings much-needed clarity for dairy farmers who have worked tirelessly to improve water quality metrics. It is important for Ornua to acknowledge the significant efforts of farmers, co-ops, and all industry stakeholders in achieving and presenting these improvements, thus securing the extension.

Transforming for Growth – Ornua 2030

During the year, the Board of Directors worked closely with the Executive team to develop and approve a new five-year strategy that will guide Ornua into its next phase of growth. **Transforming for Growth** strengthens the business's commitment to creating value for its Member Co-operatives while recognising where strengths and efficiencies can be leveraged. This includes building on the strength of the Kerrygold brand, enhancing expertise in value-add dairy ingredients, providing an efficient and desired Member Route-to-Market Service and ensuring the business is well prepared for the future through improvements to its operating model, efficiency, infrastructure and talent pool.

The Board is confident that the execution of this strategy, led by the CEO and the Group Executive team, will underpin Ornua's growth and continue delivering value for Irish dairy farmers and our customers in an increasingly complex operating environment.

Board Changes

There were a number of changes to the Ornuia Board of Directors in 2025. Seán Sweeney stepped down from the Board and was replaced by Tom Cunniffe as the Aurivo Co-op nominee. Stephen Arthur stepped down and was replaced by Martin McElearney as the IFA nominee. Dr Seán Brady stepped down from the Board and was replaced by Dermot Farrell as the Lakeland Dairies nominee. Jerry Houlihan stepped down as nominee of ArraTipp Co-op.

I would like to thank Seán Sweeney, Stephen Arthur, Dr Seán Brady and Jerry Houlihan for their valued contributions and formally welcome Tom Cunniffe, Martin McElearney, and Dermot Farrell in joining the Ornuia Board of Directors.

I would like to recognise the contribution of my predecessor Aidan O’Driscoll. Aidan led the Board with purpose and clarity to ensure Ornuia’s strong ambitions have been shaped in step with the interests of Ireland’s dairy farmers. I would also like to extend my thanks to all colleagues from the Board of Directors for their stewardship, support and foresight during my first year as Chair. I was honoured to join the Ornuia Board in May. Since then, I have seen first-hand the dedication and co-operative spirit that underpins the business’s success.

Acknowledgements

I would like to thank Ornuia’s Group Executive team, under the leadership of Chief Executive Conor Galvin, and the dedicated teams across Ornuia’s global network whose commitment and delivery against a volatile and challenging external environment has been central to a successful performance in 2025. I have had the opportunity to visit a number of Ornuia’s businesses and have been singularly impressed by the level of energy, dedication and capability of our teams.

Most importantly, I extend my sincere thanks to Ornuia’s Member Co-operatives and the farming community you represent. Your partnership, trust, and dedication are the foundation of Ornuia Co-operative. Together, we can look forward to building on a strong platform and continuing Ireland’s proud tradition of bringing exceptional dairy products to the world.



Kevin Toland
Ornuia Co-operative Chair



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Ornuia delivered a resilient performance in 2025 against turbulent market conditions, reaffirming the enduring strength of the co-operative model.

Kevin Toland
Ornuia Co-operative Chair

Resilient Performance in a Complex Year

I am pleased to report a solid performance from the business in a year that demanded resilience, agility, and collective focus across our entire organisation. Despite persistent uncertainty driven by challenging global market conditions, Ornu's global teams continued to deliver on our purpose of driving value for Irish dairy farmers.

Financial Highlights

Group turnover was marginally up year-on-year at €3.5 billion, while Group EBITDA and Operating Profit, pre *Ornu Value Payment*, were up on 2024 at €171.4 million and €136.6 million respectively, representing a positive set of financial results in a dynamic and complex year.

Ornu closed the year with a Net Debt of €163.1 million and Net Assets were €779.0 million. The *Ornu Value Payment* paid to Member Co-operatives for product purchased in the year amounted to €74.3m – up €9.1m on 2024 – of which €69.7m was charged to the Group Income Statement in the year. Ornu also continued to support the working capital requirements of our Member Co-operatives with €481.5 million in working capital facilities provided during 2025.

Our teams successfully navigated a complex global trading environment, including renewed tariff pressures in the US.

Through disciplined commercial management and the strength of our long standing customer relationships, these impacts were well handled, protecting value for our Members. This reflects the depth of our capabilities and the dedication of our collaborative, multi-jurisdictional teams.

Building on the Kerrygold Legacy

Kerrygold continued its exceptional trajectory, further enhancing its global position as a world-leading dairy brand, despite tough economic and market conditions particularly in Germany. Kerrygold's continued strength is a true testament to the passion, dedication, and excellence of our teams and the farmers behind the brand.

From its origins as a 'taste of home' away from home, Kerrygold has now expanded into the 'culinary and delight' market segment, an area which offers enormous potential for future growth as we look to capitalise on the growing global demand for natural, high quality dairy foods. In the US, growth momentum remained strong as Kerrygold surpassed the \$1 billion retail sales milestone for the first time early in the year. This achievement demonstrates the strength of our grass-fed proposition, our talented team, and our customer relationships, as well as the power of consistent investment in brand equity.

Our innovation platform has become a critical engine to unlocking future growth, enabling us to enter new segments, develop new formats, and meet evolving consumer needs. Protecting the integrity and reputation of Ireland's grass-fed system – one of our greatest competitive advantages – will continue to be foundational to Kerrygold's success.

Value-add Ingredients: Partnership Led Growth

Our Value-Add Ingredients businesses delivered another year of solid progress, built on deep partnerships with many of the world's leading food manufacturers and QSR operators. Demand for our customised cheese solutions remained robust, supported by our technical expertise, collaborative approach, and connected global footprint.

As supply dynamics continue to shift, innovation in dairy ingredients will remain central to realising added value for our customers and for Irish dairy. Despite notable headwinds and significant commodity market volatility, our teams responded well to deliver tailored, high-performance dairy solutions to the global food manufacturing and foodservice sectors.

Common Ground - ESG Progress

Our commitment to sustainability remains fundamental to how we operate and I am pleased to report continued progress towards our goals in 2025.

Targeted energy efficiency and sourcing initiatives across our manufacturing sites and operations resulted in an 8.5% reduction in Scope 1 & 2 emissions compared to 2024, representing a total decrease of 39.6% from the 2020 baseline. This performance has seen the business surpass its total target of a 25% reduction in manufacturing emissions by the end of 2025. Moving forward, our ambition is to build on this progress toward robust science-based 2030 targets. More information on these activities is detailed in the Common Ground ESG report on pages 16 to 25.

Transforming for Growth - Ornuu 2030

Recognising the global challenges, shifting consumer expectations, and rapid technological advancements that are redefining industries and markets, we have developed a new strategic growth plan for the next five years. Our strategy, **Transforming for Growth**, is designed to drive purposeful evolution, setting Ornuu up to succeed in an increasingly complex world.

A key enabler underpinning our strategy is the implementation of a new global Operating Model - **One Global Ornuu** - to simplify how we work, strengthen collaboration across markets and divisions, and harness the collective power of our global talent. The new model sees the creation of a Global Commercial Division, which brings together Ornuu's consumer foods and value-added ingredients businesses, alongside a centralised Global Operations Function, and a dedicated Route-to-Market & Member Relations business in Ornuu Dairy Ingredients.

To support this transformation which began during 2025, a number of senior appointments have been made. In September, the business welcomed Jason Musk to the newly created role of Chief Operations Officer, joining the Ornuu Executive team.

Jason is responsible for leading the Global Operations Function, driving operational efficiency and best-in-class performance across our global operations.

Cesar França, previously Managing Director of Ornuu Global Foods, was appointed to the newly established role of Chief Commercial Officer, leading the Global Commercial Division with responsibility for Brands and Value-Add Ingredients. Shane Henry, previously Managing Director of Member Relations & Planning, was appointed Managing Director of the newly created Ornuu Dairy Ingredients business with responsibility for providing efficient and profitable routes to market for Irish dairy products to Ornuu's Member Co-operatives.

With a clear strategy, a strengthened leadership team, and a united global structure, I am confident Ornuu is well positioned to continue delivering sustainable growth in 2026 and realising our vision to become a world leader in premium dairy products.

Looking Ahead

We enter the coming period with positivity despite the uncertainty of continued geopolitical and market instability. Our brands are world-class, our customer partnerships are strong, and our people bring focus, commitment, and energy to the business every day.

Guided by our co-operative purpose, we remain steadfast in our commitment to maximising value for our Member Co-operatives, while building a stronger, more globally connected Ornuu to drive the business into the future. My sincere thanks to our Members, our farm family suppliers, and to all my colleagues across the Ornuu network for your continued passion and dedication.



Conor Galvin
Chief Executive Officer



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Despite persistent uncertainty driven by challenging global market conditions, Ornuu's global teams continued to deliver on our purpose of driving value for Irish dairy farmers.

Conor Galvin
Chief Executive Officer

Global Commercial Report

In the second half of the year, Ornuu introduced a new, more focused and agile operating model, to advance the company's global growth ambition. The new operating model saw the creation of a new Global Commercial Division combining Ornuu's consumer foods and value-added ingredients Business Units. The new Division is led by Cesar França, Chief Commercial Officer.

Despite a volatile and highly challenging global marketplace, the Global Commercial Division continued to grow and develop, in line with expectations. Its performance was underpinned by the continued growth of the Kerrygold brand.

During the year, Kerrygold benefited from high impact marketing campaigns and innovative new product launches developed by an enhanced Global Marketing & Innovation function as well as by dedicated in-market teams.

Ornuu Foods Americas

The North American market proved to be highly challenging, partly driven by tariff uncertainty, the impact of significant food inflation, and strong milk supply in the US putting downward pressure on dairy product pricing.

Against this backdrop, Kerrygold continued to perform strongly and in early 2025 celebrated a significant milestone in the US, as its retail sales exceeded \$1 billion for the first time.

During the year, Kerrygold also increased household penetration by 1.8 points, equating to over 2.5 million new US households buying the brand, in addition to double-digit growth in LATAM and Canada.

The brand's growth was driven by substantial innovation including the introduction of larger pack formats for butter and the launch of a new range of Kerrygold Cheese Snacks. The highly creative 'The Great Green Ingredient' marketing campaign - launched in November - brought to life Kerrygold's grass-fed credentials.

Growth was further driven by high customer service standards and strong category knowledge. This was highlighted when two major retailers selected the US team to lead their butter category as category captains.

Ornuu Foods UK & Europe

In the UK, Ornuu continued to perform well across own-label and branded products. Ongoing collaborative partnerships with major UK retail customers across the own-label cheese category supported continued growth, while sales of Kerrygold and Pilgrims Choice benefited from a sustained pipeline of innovative new product development launches and high impact marketing campaigns.

Kerrygold witnessed strong and sustained growth during the year and was the fastest growing major butter brand in the UK retail sector. Central to this was the continued growth of Kerrygold block butter, now the UK's No.2 block butter brand, which was supported by innovative marketing activity, the launch of a new Kerrygold unsalted block butter, and a new 500g larger block.



2025 was also a year of transition and transformation for Pilgrims Choice, the No.2 branded cheddar in the UK. The second half of the year saw the introduction of new vibrant pack designs and packaging formats. This was complemented by the highly disruptive 'Bite into Bold' marketing campaign and the launch of the innovative Pilgrims Choice Inclusions range of sliced and grated blended cheddars.

In Ireland, Kerrygold strengthened its position as the country's favourite butter brand, enhancing brand equity through the delivery of high-end brand executions and immersive consumer experiences. These included title sponsorship of the Ballymaloe Festival of Food, along with an award-winning activation at Bord Bia Bloom.

Kerrygold's performance across key European markets remained strong, with Kerrygold butter becoming the fastest growing butter brand in both Spain and the Netherlands. Kerrygold Regato also retained its position as Greece's leading Regato brand.





Ornua Foods Deutschland

2025 was characterised by significant economic uncertainties in Germany, leading to a decline in consumer confidence and highly volatile consumer butter pricing. As a result, many brands increased promotional pricing activity.

Ornua Deutschland has not been insulated from these economic and market challenges and during the year focused on prioritising value over volume. Despite these challenges, Kerrygold continues to be the No.1 butter brand in the market.

New product development included the successful launch of Kerrygold Cinnamon & Sugar which exceeded expectations by gaining broad listing and communication support across multiple retailers. The major 'A Piece of Ireland on Your Table' multi-media marketing campaign ran from May to November and significantly increased awareness and familiarity with the Kerrygold brand.

Ornua Foods Middle East & Africa

Ornua Foods MEA continued to build its consumer foods business across the MEA region with sales of Kerrygold branded butter, cheese, and powder growing strongly in key markets. In South Africa, Kerrygold butter and cheese experienced double-digit year-on-year sales growth, with Kerrygold becoming the No.1 imported butter brand. The sales performance was supported by a high impact online marketing and in-store promotional campaign.

Kerrygold enjoyed strong sales growth in the UAE as the brand was named the highest selling butter brand listed in a major Dubai Mall retailer.

Ornua Nigeria delivered continued growth across a range of milk powder products including Avantage, Forto, and Beo.

Value-Add Ingredients

Ornua continued to deliver tailored value-add cheese solutions for leading QSR and food manufacturers across the world.

- > **Ornua Emerging Markets** continued to develop NPD partnerships with leading food and beverage producers. In the Middle East, this included receiving the NIQ BASES Breakthrough Innovation Award for the launch of Almarai's L'Usine Butter Puff Pastry with Ornua Cream Feta Cheese. Ornua's Ávila Innovation Hub (Spain) also worked in partnership with Al Kabeer Innovation Hub to create a range of innovative appetiser and pizza solutions.
- > **Ornua Ingredients Europe** successfully rationalised its processing footprint as it moved 10,000 tonnes of customer cheese volumes from its Ledbury site to its state-of-the-art manufacturing facility in Ávila, Spain. It also continued to build its reputation as a leading supplier of high quality and innovative cheese solutions for the quick-service restaurant (QSR) and pizza market both in Europe and other global markets. This included deepening relationships with key customers, winning new customers, and developing new product offers.
- > **Ornua Ingredients North America** focused on developing long-term value-added partnerships through sustained support for customer-hosted supply events and bespoke Customer Innovation programme activity. The business showcased at a number of major US trade shows and industry events throughout the year.

Global Dairy Market Report 2025

Supply

Global milk supply was much stronger than anticipated. While flows increased by about +1.0% in the first half of the year, they increased by almost +4.0% in the second half, with annual collections expanding by +2.5%.

Collections expanded across all major milk-producing regions, including the US, New Zealand, and the EU-27. Within the EU-27, the increase was driven by yield-per-cow. Favourable weather and the control of blue tongue supported the improvement in yield-per-cow, but the main driver was a higher margin, which encouraged farmers to produce more milk. This resulted in notable increases in the production of cheese, butter, and SMP.

Demand

Global dairy demand was solid but showed signs of easing during the summer months. European retail sales were stable, but the growth rate slowed. Exports were solid, but the sense of urgency among buyers to secure products lessened as the year progressed. Meanwhile, foodservice demand remained sluggish, with reports that lower-income consumers were eating out less often.

Against a backdrop of higher supply, this increased the availability of dairy commodities and led to weaker commodity prices.

Pricing

European dairy commodity prices were above average in the first half of 2025 and at a premium to global levels.

However, with supply exceeding demand, pricing fell sharply. European butter price indices dropped by 40% between June and December, with cheddar falling by 30% and SMP by 15% during the same period.

Consequently, farm-gate milk prices weakened, particularly in the fourth quarter.

Outlook

European commodity prices stabilised in the first quarter of the current year after a sustained period of weakness. Demand, particularly from international markets, has surpassed expectations, as buyers see value at current price levels. Additionally, the Middle East conflict has created a sense of urgency to secure product. However, the recent lift in demand could affect future demand. Combined with robust milk supply and geopolitical instability, this could limit growth potential in the second half of the year.

**Despite solid demand,
rising milk supply placed
pressure on commodity prices.**

Ornua Dairy Ingredients

As a co-operative of co-operatives, Ornua provides its Members Co-operatives with secure and efficient routes to market for premium Irish dairy products. This is a vital service that is connected directly to Ornua's co-operative values and responsibilities.

In line with Ornua's new **Transforming for Growth** strategy and **One Global Ornua** operating model, a new business unit with dedicated responsibility for Member Services and Route-to-Market activity has been created. **Ornua Dairy Ingredients**, led by Managing Director, Shane Henry, comprises Ornua Dairy Ingredients International, Ornua Dairy Ingredients MEA, Ornua Dairy Ingredients UK, and Member Relations & Dairy Procurement.

Ornua Dairy Ingredients International

Ornua Dairy Ingredients International experienced a dynamic and volatile year in 2025, benefiting from strong demand in the first half of the year, before trading conditions began to shift significantly downwards in the third and final quarters. These pressures intensified as markets experienced a sharp and sustained decline with prices falling and market activity slowing considerably. The downturn has been notable not only for its severity but also for the speed at which prices corrected compared to previous corrections over the past ten years.

Despite these challenges, the Ornua Dairy Ingredients Ireland & Trading businesses continued to strengthen strategic relationships across the value chain through collaborative engagement with Member Co-operatives and key global customers, while supporting growth across the Ornua network through key operational, commercial, and strategic collaboration activities.

- > Volumes purchased and shipped remained robust, supported by close collaboration with Members and customers, and the resilience of Ornua's routes to market.
- > Ornua worked closely with its Members to provide flexibility in purchases and product mix in response to market challenges.
- > Through proactive scenario planning, alternative routing strategies, and close co-ordination with customers and logistic partners, the business managed the impact of significant geopolitical uncertainty in light of US tariffs and global trade disruption.
- > Together with colleagues from Ornua's state of the art research centre in Moorepark, Co. Cork, Ornua Dairy Ingredients International hosted the company's annual Global Innovation Forum, uniting teams from across the business to share insights and new product development initiatives with international customer partners.



Our Processing Member Co-operatives



COMMON GROUND.

WHERE WE STAND
ON SUSTAINABILITY



Ornua's Common Ground strategy defines the business's approach to sustainability, focusing on three core pillars:

Planet, People, and Products. It outlines Ornua's commitment to safeguarding the environment, creating better outcomes for people, and bringing responsibly-produced, quality products to the world.

CLIMATE & NATURE

Ornua is committed to improving its impact on climate and nature by changing how the business operates in a changing world.

Decarbonising Operations & Supply Chain

Reducing emissions within the business's own operations and supply chain.

In 2025, Ornua made continued progress in reducing Scope 1 and 2 emissions through the implementation of new optimisation practices and expanding the use of renewable energy. These activities saw an 8.5% reduction in Scope 1 and 2 emissions compared to 2024, representing a total decrease of 39.6% from the 2020 baseline. This performance saw the business surpass its total target of a 25% emissions reduction by the end of 2025.

Ornua received validated near-term science-based targets through the Science-based Targets initiative during the year. Recognised across industry as the leading global standard for establishing carbon emissions reduction targets, the SBTi provides a framework which benchmarks targets against the 1.5-degree pathway in line with the Paris Agreement on climate change.

Ornua has committed to a 42% reduction in scope 1, 2 and 3 for energy and industrial emissions and a 30.3% reduction in scope 3 FLAG (Forest Land and Agriculture Group) emissions by 2030 from a 2022 baseline. The company continues to make progress to reduce its FLAG and industrial emissions through robust responsible sourcing activities, supporting impactful research initiatives to target farmgate emissions, and by optimising packaging and purchase volumes and mix.

2025 HIGHLIGHTS

- > Since 2018, Ornua has participated in the Carbon Disclosure Project (CDP) to transparently report its emissions. This is fully aligned with the Taskforce on Climate-related Financial Disclosures (TCFD) recommendations. Ornua's CDP rating on climate change improved from B to A- in 2025, the highest score achieved by the organisation since the business commenced reporting in 2018.
- > Ornua has renewed its investment support in the Vistamilk Greenhouse Gas research hub to accelerate greenhouse-gas mitigation in Ireland's pasture-based dairy system. Phase II (2025-2030) builds on significant outcomes delivered in Phase I (2021-2024). This included the development of solutions to reduce enteric (livestock) methane emissions from pasture-based dairy systems through breeding, grassland management, and feeding technologies.
- > Further partnership with the Vistamilk programme will commence in 2026. The Vistamilk Soil Carbon Stock and Sequestration project will monitor long-term changes in soil carbon stocks in response to management, land-use, soil type, and climate, and refine the national inventory for carbon emissions from land-use and management (Tier 2 and 3).

ACROSS OUR SITES

- > Phase one of a new energy management programme launched with three sites completing full energy audits. This allows the development of specific roadmaps and project plans to improve energy efficiency and reduce carbon emissions.
- > Ornua Ingredients Europe Nantwich (UK) completed a voltage optimisation project which improved overall site energy efficiency.
- > An ammonia compressor in Ornua Ingredients North America Whitehall West (WI, USA) was upgraded. This resulted in improvements in site energy efficiency.
- > Efficiency projects including weekend shutdown procedures, climate segregation for ambient and chilled areas, and thermostatic adjustments have improved energy efficiency across Ornua's European and North American sites.

Planet

Safeguarding the future health of the world we share and live in.

Enhancing Biodiversity and Water Quality

Working to preserve and restore biodiversity and support farming in harmony with nature.

Biodiversity

In 2025, the business evaluated biodiversity impacts across its 12 manufacturing sites globally, examining local ecosystems, key impact drivers, proximity to sensitive areas and endangered species habitats, and water-related risks. This programme has helped to provide a detailed view of the Group's biodiversity footprint.

The project was supported with the use of an Integrated Biodiversity Assessment Tool (IBAT) and aligned with Taskforce on Nature-related Financial Disclosures guidance. It established whether Ornu's sites are located in or near habitats for threatened species on the IUCN Red List. Together, these assessments strengthen the Group's understanding of the global biodiversity footprint and will support more informed decision-making when it comes to biodiversity preservation.

As part of Ornu's broader commitment to nature restoration, the business has also supported the All-Ireland Pollinator Plan, protecting pollinator populations through enhancing biodiversity-friendly practices at site level and throughout the supply chain.

Water Quality

Ornu remains committed to safeguarding Ireland's water resources through active engagement in industry sustainability initiatives. In 2025, the organisation continued its support for Dairy Sustainability Ireland (DSI) and the Agricultural Sustainability Support and Advisory Programme (ASSAP), both of which work collaboratively with farmers, industry partners, and government bodies to enhance water quality and promote sustainable land management. These programmes provide farmers with targeted guidance, practical tools, and specialised training designed to reduce nutrient runoff, strengthen soil health, and protect local waterways.



CIRCULAR ECONOMY FOR A WASTE-FREE FUTURE

Ornua is committed to protecting the health of the environment by managing resources efficiently, reducing waste, and improving waste management within its operations through circular principles.

Packaging

Improving the recyclability and sustainability of packaging to prevent packaging waste from ending up in the environment.

Ornua is committed to achieving fully circular packaging by 2030 and is progressing toward this goal by improving data reporting, investing in skills and resources, trialling recyclable packaging with suppliers, and enhancing the recyclability and responsible sourcing of all fibre-based materials.

2025 HIGHLIGHTS

- > Ornua Foods UK (Leek) recorded a 30% reduction of offcut waste rates by improving the seals on offcut handling packaging.

Food Waste

Reducing food waste across the value chain.

As a signatory to the United Nations Sustainable Development Goal 12.3, Ornua is committed to halving Food Loss and Waste (FLW) by 2030, using 2020 as a baseline. Ornua reports FLW annually to the Waste & Resources Action Programme (WRAP), aligning with industry best practices for transparency and benchmarking progress. WRAP reporting enables organisations like Ornua to identify improvement opportunities, track performance against global targets, and contribute to collective efforts to reduce food waste.

In 2025, Ornua renewed its partnership with Irish social enterprise FoodCloud which combats food waste and food insecurity by redistributing surplus food to community groups and charities. Alongside direct food donations to FoodCloud and FareShare (UK), Ornua employees actively participated in volunteering initiatives throughout the period, supporting both organisations in meal preparation and gleaning unused crops.

Water

Improving the management of wastewater in our operations.

The business is committed to improving the management of wastewater within its operations globally. Ongoing progress in this area has to-date included a gap analysis of water reporting against Global Reporting Initiative (GRI) standards. The business and manufacturing sites will implement further improvements in water reporting in line with these best practice standards in 2026.



Members of Ornua's Global Sustainability team pictured at the company's inaugural Global Sustainability Summit at Kerrygold Park, Cork, Ireland.

People

Striving to create better outcomes for people.

PROTECTING PEOPLE & PLACES

Ornua is committed to looking after people at work, guaranteeing equal opportunities to people of all backgrounds, and creating a fairer and more inclusive society where everyone is respected.

Diversity & Inclusion

Building a fair and inclusive society where everyone belongs and is treated equally, starting within the business and value chain.

In 2025, Ornua published its fourth Gender Pay Gap Report for Ornua Co-operative Ltd, and second for Kerrygold Park (Mitchelstown, Cork). On the snapshot date of 30th June 2025, the gender pay gap for Ornua Co-operative Ltd was 36% (median 30%). At Kerrygold Park, the gender pay gap was 2% (median -1%). Combined, the average gender pay gap across Ornua's Ireland-based workforce was 22% (median -4%).

Over the last number of years, the business has focused on introducing targeted measures to strengthen gender diversity within Ornua. These include actions to expand its female talent pipeline from graduate level through to senior leadership, as well as programmes designed to support progression and bridge representation gaps across all operations. These efforts are complemented by initiatives that seek to enhance gender balance at both organisational and wider industry levels. While the overall gap remains, the 2025 report represents small but meaningful progress, signalling a step in the right direction towards broader female representation across the organisation.

Through the 'Belonging at Ornua' Strategy, Ornua continues to develop these initiatives with the ambition of reinforcing a company culture in which diversity is valued and colleagues can bring their individual perspectives and strengths to the fore.

2025 HIGHLIGHTS

- > Establishment of a new leadership group called the Executive Council, comprised of the company Executive team and three senior leaders who bring greater gender diversity and diversity of thinking and ways of working to how we lead the business.
- > Creation of a dedicated Head of Belonging & Opportunities role to accelerate the delivery of the 'Belonging at Ornua' Strategy.
- > Continued to make steady progress on 50:50 by 2030 Gender Balance target across top 100 roles by achieving 38:62, up from 36:64 in 2024.

Health & Safety

Striving to maintain a safe and healthy workplace for all colleagues.

Ornua continued to implement and develop its Global Health & Safety Management System underpinning its global approach to managing risk across all operations and facilities. During the year, comprehensive audits of system implementation were conducted at four key sites, while continued investment in process enhancements and increased mechanisation across all manufacturing facilities contributed to a strong performance in the safeguarding of all workplaces and spaces. The year closed with the company's lowest-ever Accident Rate of 1.78 per 100 employees, representing a 19% reduction on the previous year.

2025 HIGHLIGHTS

- > Ornua was an Official Campaign Partner to EU-OSHA's 'Safe and Healthy Work in the Digital Age' Healthy Workplace Campaign promoting Health and Safety awareness at industry level.
- > Ornua Nigeria received the Manufacturing Association of Nigeria Award of Excellence at the Health, Safety and Environment Awards.
- > Kerrygold Park, Ireland was once again honoured at the National Irish Safety Organisation Awards, winning the Food & Drink Safety Award.
- > In September, the company achieved its first month with zero minor injuries, first aid cases, or lost-time incidents. This milestone was soon followed by the company's 10,000th 'Good Catch', recorded in December.

Human Rights

Ensuring the rights of people within the business and its supply chain are fully respected.

Ornua is dedicated to upholding internationally recognised human rights and ensuring the business acts ethically and with integrity through policies and initiatives including the Code of Business Conduct & Ethics, Dignity at Work policy, and Ethical Trading policy. This commitment extends through the business's full value chain, supported by its Business Partner Code of Conduct, Modern Slavery Statement, Procurement policies, and Group Responsible Sourcing Framework (read more on Page 24 under the Responsible Sourcing section). Through these protocols, Ornua commits to only working with business partners and suppliers who can consistently meet the standards and values that are compatible with Ornua's.



17 female leaders from Ornua's LEAP – Leadership Empowerment & Acceleration Programme came together in Ávila, Spain, for a three-day development module designed to build leadership capability and strengthen cross-functional connections across the business.



People

Striving to create better outcomes for people.

ENRICHING LIVES & COMMUNITIES

Ornua is committed to strengthening the social fabric, resilience and prospects of its global community, the communities the co-operative represents, and the communities in which the business operates.

Supporting Our People

Enabling every Ornua colleague, present and future, to realise their full potential.

The creation of One Global Ornua, Ornua's new operating model, required significant organisational design and change management support and included a number of key leadership appointments and development opportunities for talent across the business. This work continues in 2026.

In challenging global employment market conditions, the business continued to introduce supporting initiatives on reward, benefits, ways of working, development, and wellbeing to enhance the employee experience. This is in addition to maintaining a continued focus on hiring and developing early career talent. Ten graduates completed Ornua's two-year Graduate Development programme, taking up permanent positions, while 17 apprenticeships commenced across the UK and Germany businesses.

The business continued to focus on developing leaders and future leaders through a range of bespoke training programmes and talent initiatives. These included the launch of a new development programme called The LEAP Programme, bringing together 19 high potential female leaders from across Ornua to complete an experiential development programme with Executive team sponsorship.

Community Development

Improving lives and livelihoods, to create a lasting and positive social impact in the communities Ornua is connected to, including the co-operative community and the communities where Ornua does business.

Ornua's continued partnership with Business in the Community Ireland (BITCI) strengthened the organisation's ESG capability and leadership in 2025. Ornua retained the Business Working Responsibly Mark from BITCI in 2025 following an interim audit check in 2024. The Mark is Ireland's Economic, Environmental, Social and Governance (EESG) standard which goes beyond legal compliance by fostering a culture of responsible business through continuous improvement, ongoing accountability, and leadership.

Ornua, in partnership with the National Dairy Council (NDC) in Ireland, continued to champion best practice in sustainable dairy farming and milk production through the 2025 NDC & Kerrygold Quality Milk Awards. The long-established programme invites dairy co-operatives across Ireland to nominate their leading suppliers. Farms are then evaluated by an independent panel of expert judges on criteria such as milk quality, animal care, farm infrastructure and hygiene, soil, and grassland management, and technical performance. In 2025, 12 farming families representing 12 co-operatives were recognised for excellence in dairy farming with the Ryan Farm, supplying Centenary Thurles Co-operative, recognised as the overall winner.

Ornua continued to sponsor organisations that contribute to positive change in the communities where the business operates. These partnerships focus on five key areas: Climate Action, Diversity, Education & Research, Supporting People in Need, Safe Supply of Nutritious Food.



Ornua continues to support MissionVale in South Africa, where dedicated teachers make a lasting difference in the lives of their students.



Pictured alongside CEO Conor Galvin are members of the Ornua Graduate Programme who completed their two-year Graduate Development programme in 2025.

2025 HIGHLIGHTS

- > Ornua's Global Charity Partner for 2025 was UNICEF Children's Emergency Fund providing support to children affected by crises.
- > Ornua contributed to initiatives and projects aimed at strengthening Irish farming communities including: Embrace Farm, Agri Aware, Dairy Women Ireland, and Animal Health Ireland.
- > Ornua's Global Volunteering Programme covered a wide range of volunteering activity throughout the year with colleagues supporting FoodCloud & Barretstown (IE), Fight2Feed (US), Habitat for Humanity (US), MissionVale (South Africa).
- > The Ornua Empowered Fund, an employee-led charity fund, continued to support community resilience with donations matched by the business. Projects include Misesan Cara's Sustainable Agricultural Project, Horticulture Training for Women in Mozambique, Climate Smart School Farms in Kenya, and MissionVale Teachers in South Africa.
- > Former Ornua Chair, Aidan O'Driscoll waived his entitlement to Committee fees while on the Board. At Aidan's request, these fees were donated to the Centre of Counselling, Nutrition and Health (COUNSENUTH), a women-led organisation dedicated to improving the lives of women and children in Tanzania.
- > Ornua's teams continued to support charitable organisations across a wide range of activities including sports in the community, disaster relief and homelessness.



Products

Bringing quality products to the world that are trusted and produced responsibly.

CREATING PRODUCTS RESPONSIBLY

Ornua is committed to ensuring the materials the company uses are responsibly sourced and the products it creates are sustainably produced and safe for people to enjoy.

Responsible Sourcing

Strengthening the sustainability of our full supply chain and supporting the further development of sustainable farming practices.

Ornua continued to strengthen supply chain transparency through meaningful supplier engagement in line with its Global Responsible Sourcing Programme. For the first time, suppliers representing 85% of dairy, palm oil, packaging sources, in addition to logistics services, completed Ornua’s Sustainability Supplier Questionnaire, providing critical baseline data on emissions, deforestation, and animal welfare. This lays the foundation for the development of the Group’s Scope 3 reduction roadmap in 2026.

Ornua’s Deforestation Policy was assessed and reviewed to reflect evolving regulations and support the development of a soya roadmap. Roundtable on Sustainable Palm Oil (RSPO)-certified palm oil accounted for 100% of direct purchases of palm oil in 2025 reflecting the company’s pledge to eliminate deforestation across primary commodities in line with SBTi.

2025 HIGHLIGHTS

- > Ornua achieved Gold membership in Ireland’s national food and drink sustainability programme - Origin Green. The company attained exemplary status across Raw Materials Certification, Packaging, Energy & Emissions, Product Health & Nutrition, Community Engagement, Employee Wellbeing, and Diversity, Equity & Inclusion.
- > Continued support of Bord Bia’s SDAS Farmer Engagement programme, to further promote awareness and understanding of the SDAS scheme.
- > Funding of the Bord Bia Dairy Industry Fund, promoting Irish dairy’s sustainability standards globally.
- > Ornua Sustainability Scholarship offered in continued partnership with UCC. This supported a student on the MSc in Sustainable Development, Agri-Food, and Co-operatives, integrating co-operative approaches into the study of sustainable development and agri-food.
- > Ornua actively participates in the SAI Platform’s Sustainable Dairy Partnership (SDP), engaging with suppliers’ and customers’ topics including carbon reporting, regenerative agriculture, deforestation-free soy, and animal welfare.



In 2025, Ornua achieved Gold membership in Ireland’s national food and drink sustainability programme, Origin Green.

Product Quality & Safety

Ensuring products are safe, accessible, and of the highest quality for customers and consumers.

Ornua continued to strengthen its food safety culture through professional development, knowledge sharing, and continuous improvement across management systems and processes.

2025 HIGHLIGHTS

- > In 2025, Ornua launched a new Global Food Safety & Quality Strategy, aligned with the company's vision of being a trusted global leader in Food Safety & Quality.
- > All sites completed the standardised Global Food Safety & Quality Culture Survey, with results driving site-level and global action plans.
- > High audit standards were maintained including two unannounced audits per site, reinforcing Ornua's 'audit-ready every day' culture.
- > The company celebrated World Food Safety Day and World Quality Day across its global operations, reinforcing the shared responsibility for food safety and quality throughout the organisation.

Animal Welfare

Embedding the highest animal welfare standards across the supply chain.

Ornua is committed to embedding animal welfare standards as a pillar in its Global Responsible Sourcing Programme. This ensures the products Ornua creates are sustainably produced and made with ingredients sourced from animals that are treated humanely. All suppliers to the Kerrygold brand are externally audited to the Bord Bia Sustainable Dairy Assurance Scheme (SDAS) and Grass-Fed Standard.

2025 HIGHLIGHTS

- > Funding of the Animal Health Ireland Cell Check Awards, to support and promote excellence in animal health and welfare.
- > Collaboration with UCD Lyons on its Calf Welfare Research and Innovation Project, to expand the national research capacity on rearing dairy calves.



Philip O'Leary from Whitechurch, Co. Cork. Finalist in the 2025 Quality Milk Awards and supplier of Dairygold Co-operative.

Governance

Corporate Governance Report

Ornua Co-operative Society recognises that robust governance is fundamental to the sustained success of the organisation. Ornua's Board, Advisory Council, and Executive Management are committed to upholding the highest standards of co-operative corporate governance and leadership. Our governance systems are specifically designed to reflect Ornua's unique profile as a globally competitive dairy co-operative, ensuring that our structures and processes are tailored to our members' needs and the demands of international markets. These systems are subject to regular review and continuous improvement, with the objective of ensuring ongoing alignment with evolving best practices and regulatory requirements.

In 2025, Ornua Co-operative Society applied the principles of the Plunkett Institute Code of Corporate Governance ("the Code"), a comprehensive framework specifically designed for co-operative societies in Ireland. While the Code draws extensively from the UK Corporate Governance Code – commonly applied to publicly owned corporations – it re-prioritises certain objectives to address the distinctive characteristics and requirements of co-operative enterprises, as opposed to investor-owned companies.

The Code is structured to set out high-level governance principles that co-operatives are expected to achieve, followed by detailed provisions that guide compliance with these standards. The Code operates on a "comply or explain" basis, requiring co-operative boards either to adhere to its principles or to provide clear and satisfactory explanations to their membership when alternative approaches are adopted.

The Rules of Ornua require that a full review of the Rules is carried out at least every four years. A full review of Ornua's Rules was completed in 2025. The Members of Ornua approved changes to the Rules at a Special General Meeting held in May 2025. Rule 30 was amended to provide for General Meetings to be held virtually if, in the opinion of the Board, an in-person meeting is not possible. Rule 42 (b)(iii) was changed to provide for Board discretion as to whether persons appointed as CEO or CFO on an interim basis should be appointed to the Board. A new Rule 42 (e) was added providing for an overall aggregate term limit of eight years for directors appointed under rules 42 (b)(i), 42 (b)(ii) or 42 (b)(iv). Rule 42 (g) was changed to clarify that term limits for directors appointed by the IFA, ICMSA, and ICOS under rule 42 (b)(iv) shall be the same as those for independent non-executive directors. Rule 51 was amended to clarify the procedures for the election of a Vice-Chair which should take place annually at the first Board meeting following the AGM.

Statement of Compliance with the Plunkett Institute Code of Corporate Governance

During the financial year ended 27 December 2025, Ornua is pleased to confirm full compliance with all provisions of the Plunkett Institute Code of Corporate Governance, except for those provisions not directly applicable to Ornua's governance structure as a second-tier co-operative, as detailed below. In instances where strict adherence to the letter of the Code was not possible, Ornua has implemented alternative arrangements that, in our view, uphold the underlying principles and intent of the Code.

Sub-Committees

Provision A.1.2 of the Code calls for the establishment of a sub-committee to oversee specific obligations. Ornua meets the underlying intent of this provision through a combination of standing and ad hoc committees, as well as robust governance structures that ensure effective oversight. The organisation prioritises appropriate member representation and maintains well-resourced communication channels, managed by a dedicated Member Relations team. The size of the Board is determined in accordance with the Rules of the Society.

Elected Directors

Provision A.1.2 (ii) of the Code requires that training be provided to directors, aspiring directors, and members. At Ornua, director training is overseen by the ESG and Rules Committee. As Ornua's member-nominated directors are appointed rather than elected, it is not possible to provide training to aspiring directors or its corporate members.

Active Trading Membership

Ornua's Member Co-operatives are corporate entities therefore Provision B.3.1. which envisages that the Chair be an active trading member cannot be applied. In accordance with the Rules of the Society, the role of Chair is held by an independent non-executive director.

Nomination Process

As Ornua's member-nominated directors are appointed and not elected, the process for nomination for election is not applicable. (Provision A.1.2 (iii) and B.13.1)

Further details of how the principles of the Code have been applied can be found throughout this Corporate Governance Report, the Directors' Report and the Committee reports.

Governance Structure

Ornua's governance structure is comprised of two distinct bodies: the Ornua Advisory Council, and the Ornua Board.

The Advisory Council

The Advisory Council is made up of individuals appointed by Ornua's Member Co-operatives, one appointee each from the IFA, ICMSA, and ICOS and the Chair of the Board (an independent non-executive director). The primary role of the Advisory Council is to monitor, on behalf of the Members of Ornua, the direction, performance, and operations of the Group. To fulfil this responsibility, the Council convenes four times annually with the Executive of Ornua to review Ornua's performance and high-level strategic direction. The Advisory Council decides whether to approve any person nominated by the Board to act as an independent non-executive director.

The Board

The Board of Directors is made up of non-conflicted directors nominated by Ornua's Member Co-operatives, non-conflicted directors appointed by farmer or industry organisations, executive directors, and independent non-executive directors. The Board's principal responsibilities are to agree overall strategy and investment policy, manage risk, approve major capital expenditure, ensure accountability and conformance, provide an essential challenge function to the Chief Executive Officer and Executive Management Team, monitor Executive performance, and ensure that good corporate governance is observed at all times, including the presence of proper internal controls and risk management practices.

As well as ensuring compliance with its principal legislative duties as set out under the Companies Act 2014 and the Industrial and Provident Societies Acts, 1893 to 2021, the Board has a number of matters reserved for its consideration (see list of Matters Reserved for the Board below). The Board also operates in accordance with the terms of its own Governance Manual and Terms of Reference.

The Board plays a central role in scrutinising the Group's financial and business performance. Planning and financial reporting procedures include the preparation of detailed operational budgets for the year ahead, the delivery of key performance indicators (KPIs), and the maintenance of a regularly updated five-year strategic and financial plan, all of which are subject to Board review and approval. During 2025, the Board convened for a series of dedicated sessions with management to develop the new strategy and growth plan culminating in the approval of a new five-year-plan in September 2025.

The Board continually monitors the effectiveness of the co-operative's risk management and internal control systems through the following:

- > KPI's for key operational areas;
- > Risk appetite reporting which measures key risk indicators (KRI's) against risk appetite;
- > Bi-annual group risk report;
- > Establishment of a compliance universe which has been risk assessed;
- > Establishment of a central policy hub;
- > Attestation from Business Unit MD's and FD's that financial controls have operated effectively; and
- > Review of reports issued by the Internal Audit function and any recommendations from external auditors.

The Board receives regular reports on important operational and business issues arising in its Foods, Value-Add Ingredients, and Route-to-Market and Member Relations businesses. It also receives topical briefs and training during the year to assist individual directors to remain fully informed and responsive to relevant developments. Board training during 2025 included sessions on pensions, the NIS2 Directive, governance of artificial intelligence, competition law and board governance.

In addition to the training sessions referred to above, the Board held seven ordinary meetings in 2025 which covered routine Board business and two special meetings. In October 2025, the Board visited Ornua Deutschland and the Anuga Food Fair in Cologne. The Board met with the local management teams, carried out retailer store visits, and received a tour of the Ornua Deutschland facility.

Attendance at Board meetings in 2025 was 98%.

Matters Reserved for the Board

The following are the key matters reserved for the Board's consideration and decision ensuring that the Board retains oversight of the most significant aspects of Ornuva's governance, strategy, and operations.

- > Responsibility for the overall leadership of the Society;
- > Establishing the Society's values, vision and mission;
- > Approval and monitoring of the Society's strategic plan and review of performance against the plan;
- > Changes to the Group's corporate structure;
- > Approval of the annual report and financial statements;
- > Approval of: cash bonus payments and policies; dividend policy and payments; finance facility arrangements with third parties; annual budgets and oversight of same; capital expenditure budgets and major investments; and the divestment of assets;
- > Setting the organisation's risk appetite, approval of risk management policies and monitoring the effectiveness of risk and control processes;
- > Approval of procedures for the prevention and detection of fraud and bribery;
- > Approval of contracts over a specified limit and meeting agreed criteria;
- > Ensuring a satisfactory dialogue with shareholders and approval of resolutions to be put to shareholders at a general meeting;
- > Appointment and removal of directors, Chief Executive, Secretary and External Auditor;
- > Determining the remuneration policy for the executive directors, Secretary, the Executive Team and non-executive directors;
- > Establishing Board committees, approving the membership of committees and their terms of reference;
- > Approval of the settlement of any litigation or claim over a specified threshold;

- > Approval of changes to the rules of the Group's pension schemes;
- > Monitoring the effectiveness of the Group's Corporate Governance; and
- > Approval of key business policies.

Board Evaluation

A cornerstone of effective governance is the rigorous evaluation of the Board and its Committees at regular intervals to ensure sustained high performance and accountability. Ornuva has implemented a structured process that includes a formal annual evaluation of the Board, as well as biennial assessments of its committees. To further strengthen objectivity and drive continuous improvement, an independent external evaluation is conducted every three years.

An internal performance evaluation of the Board and all Committees was conducted in 2025. The review considered the effectiveness of the Board and its committees and was carried out through the use of an online questionnaire tool. The Secretary issued a report on the findings and a number of recommendations were then considered by the Board and each Committee. An action plan was agreed and is being implemented.

The Chair conducted informal one-to-one discussions with each director on their performance during the year in Q3 2025.

Conflicts of Interest and Code of Conduct

In accordance with Ornuva's Conflicts of Interest Policy, a Register of Directors' Interests is maintained. Directors make declarations of interests upon appointment, then again periodically during their term of office and when a particular issue or event prompts a declaration of interest. The Conflicts of Interest Policy was reviewed and updated by the ESG and Rules Committee in 2025 and approved by the Board in September.

A Code of Conduct for the Ornuva Board of Directors addresses the standards required of each member in the performance of their functions as a member of the Board.

The Chair

The Chair, who is elected by the Board annually, must be an independent non-executive director. The Chair's primary role is to facilitate good corporate governance by ensuring that the Board is in full control of the Society's affairs, aware of its legal and other obligations and alert to its responsibilities to shareholders. The Chair ensures that the Board is kept properly informed, is consulted on all issues reserved to it and that its decisions are made in a timely and considered way, to enable the directors to fulfil their duties. There is a clear division of responsibilities between the Chair and the Chief Executive Officer (CEO).

The Directors

The directors are entrusted to bring an independent judgement to bear on all matters of consideration. Their wide-ranging experience, backgrounds, and skillsets ensure that they can contribute significantly to the Board and, specifically, engage in constructive debate and provide an effective challenge to management in relation to both the development of strategy and the performance of the Group against the goals set by the Board and the Society's stakeholders. The Chair liaises with the individual directors informally during the year. These communications, and other regular informal discussions, create the opportunity for valuable input from all directors.

The CEO and Executive Team

The CEO has responsibility for ensuring that the organisation and its subsidiary companies operate effectively and to a high standard of probity. The appointment and removal of the CEO is a decision reserved for the Board, in accordance with the Rules of Ornuva Co-operative Society. The operational day-to-day management of the Group is delegated by the Board to the CEO.

The CEO chooses to deliver the performance of executive functions by way of a team of executive-level employees. The CEO is responsible for leading, managing, and controlling the Group, save for those matters reserved for decision by the Board and/or its committees.

The Executive team is subordinate to the Board. The key responsibilities and tasks delegated to the Executive team include:

- > Implementing Board strategy, decisions, and policy;
- > Monitoring compliance with legislative requirements and the Rules of the Society;
- > Ensuring effective performance and co-ordination of the Group's business activities within its divisions;
- > Overseeing operational performance, including health and safety and sustainability performance;
- > Monitoring and controlling financial performance; and
- > Approving expenditure and other financial commitments as delegated by the Board.

The Secretary

The Board is guided in the lawful and diligent performance of its functions by the Secretary who attends all Board meetings. The Secretary facilitates Board business through the provision of timely and appropriate advice on matters of law and governance. The Secretary works closely with the ESG and Rules Committee which is tasked with advising the Board on corporate governance best practice. The Secretary develops and manages a training programme for the Board as agreed by the ESG and Rules Committee and approved by the Board. The Secretary also advises the Board on appropriate procedures for the management of its meetings and the effective discharge of its duties.

With the approval of the Chair, and on the advice of the CEO, the Secretary sets the Board meeting agenda and order of business and follows up on all outstanding matters.

The appointment and removal of the Secretary is a decision reserved for the Board. All Board directors have access to the confidential counsel of the Secretary, as and when necessary.

Independent Non-Executive Directors

Three INEDs sit on Ornu's Board. The Code requires that the rationale for the appointment of the individual INEDs is set out for Members in the Annual Report. Presented below are summaries of the backgrounds of the INEDs and the skillsets that they bring to the Board.

Kevin Toland (appointed 22 May 2025) has held various senior executive and non-executive director positions within the beverage, food, nutrition, and aviation industries. Previously, he served as Group CEO and Board Executive Director of Aryzta AG and daa plc, as well as an Executive Director at Glanbia plc. Currently, Kevin is the Chair of Gas Networks Ireland and C & D Foods, in addition to being a non-executive director at Dole plc.

Anne McFarland (appointed 19 April 2021 and reappointed 8 April 2025) is a Chartered Accountant with 40 years' experience in finance, international business, and governance. Anne's career has included a number of senior finance roles and directorships with private and listed firms across multiple international markets. She is also a published author on corporate governance.

Anne O'Leary (appointed 19 April 2021 and reappointed 8 April 2025) is a Certified Chartered Accountant with over 40 years' experience. Anne has extensive experience in financial analysis and financial reporting having advised on acquisitions, divestments, restructuring, and debt financing. Most recently, she was a senior audit partner with EY where she advised a range of international clients across a wide range of sectors.

Internal and External Audit

Internal Audit

The objective of the Group Internal Audit function is to assist the Audit and Risk Committee in the effective discharge of their responsibilities. Group Internal Audit's role is to assist the Audit and Risk Committee and management to protect the assets, reputation, and sustainability of Ornu. The Group Internal Audit function performs reviews which provide independent assurance over the operation of the internal control framework, risk management systems, and governance processes across the business.

The Head of Internal Audit reports directly to the Chair of the Audit and Risk Committee and the CEO, thereby ensuring Internal Audit's independence and objectivity. In line with the charter, the Group Internal Audit function is afforded unfettered access to reporting lines throughout the business. The Audit and Risk Committee reviews and approves the Group Internal Audit function's charter, strategy, budget, and annual risk-based audit plan on an annual basis. The Audit and Risk Committee receives regular updates from the Head of Internal Audit on the delivery of the internal audit plan and on the principal findings from the work of Internal Audit and management's actions to remediate issues identified.

External Audit

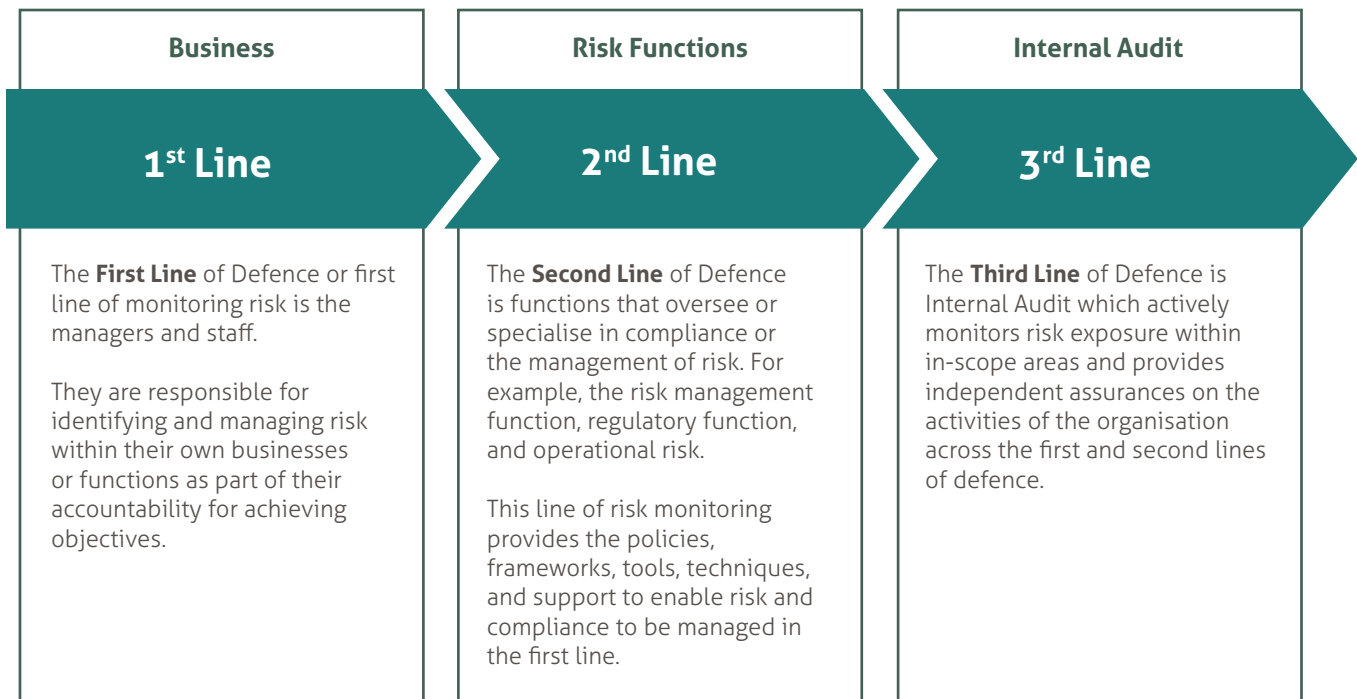
The external auditors provide the Audit and Risk Committee (as delegated by the Board) with reports on the external audit of the Group. The Committee annually assesses the external auditors' independence and objectivity, the effectiveness of the external audit process, the provision of additional services, and the level of audit and non-audit fees.

Risk Management

Ornua recognises that risk is naturally associated with achieving objectives and that managing risks protects Ornua from adverse events while growing the business. The Group’s values lead its ethos around risk management, building a positive risk culture supported by formal risk management processes.

Risk Governance in Ornua

Ornua’s risk management framework has been designed using the three lines of defence model (3LOD), which sets out how responsibilities are divided in relation to managing and monitoring risk.



Within the framework roles and responsibilities are allocated as follows:

Board	The Board has overall responsibility for risk management & internal control, setting risk appetite and the tone from the top to create a positive risk culture.
Audit & Risk Committee	The Board has delegated to the Audit & Risk Committee, the task of reviewing the design and effectiveness of the Group’s risk management and internal control systems to ensure an effective process exists for the identification, assessment, and management of risk.
Executive	The Executive provide leadership ensuring the Risk Management Policy is being followed while embedding a positive risk culture. The Executive responsible for risk management is the Chief Risk and Compliance Officer (CRCO).
Risk Management Committee	The Risk Management Committee (RMC), chaired by the CRCO is a multi-disciplinary group brought together to take an enterprise view of the risks facing Ornua providing enhanced coordination of risk management activities across the Group. The RMC meet as required, but at least quarterly.

Enterprise Risk Management Framework

The Ornuu Risk Management Policy sets out how risk is to be managed, including details on the process and responsibilities. As required by the Policy, the Group has a framework for identifying, assessing and managing risk, at all levels of the business, to ensure it remains alert to the ever-changing environment in which it operates. The Group's risk assessment framework underpins a common language and approach to risk management and facilitates the early identification and assessment of the principal risks and uncertainties facing the Group. By focusing on the early identification of business and emerging risks, the framework enables Ornuu to consider the appropriate mitigation steps or management actions required to eliminate the risk or to reduce the risk to an acceptable level.

The Group risk register forms the basis for risk reporting. It is continually updated using both available internal and external information and updates from risk owners and other parts of the business. Bi-annually, the Risk Management Team compile a report on the key risks and submits it to the RMC for review and approval before it is laid before the Executive, Audit and Risk Committee, and the Board. The key focus of this report is to ensure the Group's residual risks are within the scope of what the Board is willing to accept, in order to achieve its strategic objectives.

In addition to this consolidated risk report, ongoing business risk updates are provided to the Audit and Risk Committee during the year by those within the organisation with responsibility for particular risk areas, for example, operational risk.

Risk Appetite and Tolerance Statements

The Ornuu Risk Appetite Statements, updated and approved by the Board in 2025, outlines the level and types of risk the organisation is willing to accept in pursuit of annual objectives and strategy. A risk appetite rating scale has been applied to each statement, with appropriate quantitative and qualitative key risk indicators that align to annual objectives. This enables the practical application of risk appetite.

Principal Risks and Uncertainties

Ornuu operates in a fast-moving, global foods market which is becoming more complex and challenging. The performance of the Group is influenced by a number of factors which need to be managed in order to achieve strategic objectives. Among the principal risks faced by Ornuu, together with the key mitigating activities, are:

External Factors

Key Risk Area	Description of Impact	Key Mitigating Actions
Macroeconomic – Due to the Group's international operations, senior management recognises the significant macroeconomic challenges the sector faces and the implications these can have on the business.	Failure to monitor and respond to macroeconomic changes such as inflation, interest rates, and/or foreign exchange could impact profitability and financial performance.	<ul style="list-style-type: none"> > Experienced and dedicated teams in place who continuously monitor the external environment for macroeconomic changes > Actions taken to mitigate inflation across markets including pricing, cost management and efficiency > Currency and commodity hedging in place
Geo-political – The Group has markets, operations, and a supply chain network across the world, which could be exposed to adverse events due to geo-political changes.	Changes in government policies, tariffs, international relations, and conflicts can impact the business operations, supply chain, or customer demand.	<ul style="list-style-type: none"> > Active monitoring by central and local teams regarding geo-political changes > Business continuity planning and crisis management plans are in place to enable efficient recovery > Experienced supply chain and procurement teams who actively manage any disruptions in materials, transportation, and stock levels > Appropriate insurance is in place > Experienced customer service teams in place to ensure a responsive and efficient operation
Regulatory – The Group is exposed to local and global changes in the increasingly complex regulatory and legal landscape.	With new regulatory initiatives in the EU and abroad the regulatory and legal burden has the potential to impact the future growth and profitability of the Group.	<ul style="list-style-type: none"> > Continuous monitoring of the external environment for changes in regulations > Central and local teams ensure regulatory and legal compliance to relevant laws and regulations > Special purpose cross-functional working groups established to meet regulatory requirements

Strategic Priorities

Key Risk Area	Description of Impact	Key Mitigating Actions
<p>Strategy & Transformation Execution – Importance of executing Ornuua’s new strategy and operating model</p>	<p>Successfully delivering the intended long-term benefits of the new strategy including the ambitious commercial, digital, and operational strategies we have set ourselves is dependent on executing and embedding Ornuua’s new operating model and effectively managing the associated change.</p>	<ul style="list-style-type: none"> > New commercial and operations organisational structure implemented in 2025 > A dedicated member of the Executive team assigned to monitor strategic implementation and progress > Annual review by the Board > Strategic deployment milestones and decision points incorporated into management systems and business planning > Programmes in place to ensure skillset and wider organisational capabilities
<p>Sustainability – Climate change will have a significant impact on how Ornuua operates its business.</p>	<p>Customers want products that reduce their environmental impact. However, risks associated with climate change such as extreme weather events, the cost associated with reducing carbon emissions in production methods, the availability of product, the delivery of the ESG strategy, will have a significant impact on Ornuua’s ability to deliver on customer requirements and therefore this is a key risk area for the Group.</p>	<ul style="list-style-type: none"> > ‘Common Ground’, the organisation’s Group ESG strategy, was launched in 2024. It will enable the Group to meet its targets over the coming years > The Group has a dedicated and experienced ESG team who have the responsibility for oversight and delivery of the Group’s ESG agenda and for implementing and delivering reporting requirements
<p>Margin Management – The Group’s cost base and margin could be impacted by macroeconomic pressures and price changes in dairy commodities, labour costs, and manufacturing overheads.</p>	<p>Due to the seasonal nature of milk availability and changes in dairy commodity prices, this can impact production schedules and costs. Failure to ensure an appropriate margin on goods sold may have a material impact on the Group’s ability to achieve its annual financial targets.</p>	<ul style="list-style-type: none"> > Board approved Group Derivative Policy and Group Inventory Risk Management Policy in place alongside the Commodity Trading cross-functional committee who continuously monitor commodity risk > Continual focus by Executive and Business Unit Senior Leadership Teams on key activities that influence the overall cost base
<p>Business Acquisition & Divestment – Acquisitions and divestments play a key role in portfolio management. This presents a series of risks regarding the different phases of due diligence, transaction, integration, and separation.</p>	<p>A sub-optimal integration or divestment could impact the Group’s profitability and strategic development.</p>	<ul style="list-style-type: none"> > All acquisitions and divestments are reviewed and approved by the Executive and the Board > Experienced and dedicated personnel are in place who rigorously manage all stages of an acquisition and divestment in line with governance requirements > Each activity has robust procedures to ensure successful transition, integration of operations, and retention of key talent

Operational Risks

Key Risk Area	Description of Impact	Key Mitigating Actions
<p>Food Safety & Quality – The Group must ensure adherence to stringent food safety standards and production controls across raw materials, production activities, and supply chain. Furthermore, the Group complies with legal and regulatory requirements across multiple international markets.</p>	<p>Any major food safety issue or Irish dairy industry issue may result in a supply disruption or contamination of products and/or raw materials which would ultimately impact the Group's growth potential or ability to operate and have a serious impact on the Group's reputation and brands or customers' brands.</p>	<ul style="list-style-type: none"> > Global Quality System implemented that enables monitoring and reporting on food safety and quality KPIs across the Group > The Group and its businesses are accredited in line with food safety standards such as BRC and FSMA > Foods safety training programme in place for all relevant employees and contractors > Appropriate insurance policies are held regarding product liability
<p>Health & Safety – The Group's operations expose employees, contractors, and visitors to potential health and safety risks.</p>	<p>A significant incident could expose the group to business interruptions, legal and financial liabilities, and damage to the Group's reputation on a local and international level.</p>	<ul style="list-style-type: none"> > Robust Group Health and Safety policy and procedures in place that all business units must adhere to > Dedicated Group Global Head of Health and Safety, and site-specific Health and Safety Officers in place > Health and safety training and awareness programme for all employees > The Executive actively monitor health and safety KPIs as part of monthly reporting
<p>Operations & Supply Chain – The Group relies on global operations and complex supply chains which could be exposed to a range of adverse events such as changes in cross-border trade co-operations, cyber-criminal activities, and industrial accidents.</p>	<p>A failure to effectively respond to operational and supply chain disruptions could result in adverse effects on financial performance and impact the reputation of the Group.</p>	<ul style="list-style-type: none"> > Established COO structure in 2025 to drive increased focus on operational efficiencies and continuous improvement > Group planning, forecasting, and procurement teams are in place and collaborate to manage stock demand and ensure supply chain capacity > Inventory reserve being held locally to mitigate against delays in supply chain > Business continuity planning and incident management in place and reviewed periodically for relevant events
<p>People – The Group's ability to attract, develop, engage, and retain appropriately qualified talent to meet ambitious business objectives is critical.</p>	<p>A failure to attract, develop, and retain key talent, plan for key successions, and evolve culture to reflect Ornuá's values, will impact the Group's ability to deliver on its strategic and operational objectives.</p>	<ul style="list-style-type: none"> > The Group's mission, vision, and values are embedded throughout the business at all levels > Diversity and Inclusion strategy launched in 2024, sponsored by the Executive, to continue and advance the Group diversity, inclusion, and belonging agenda > Dedicated teams with robust procedures are in place for talent acquisition, management, and succession planning reviews > Monthly People Scorecards by business and location with mitigating actions
<p>Cyber and Technology – The Group relies on robust ICT systems and infrastructure for most principal operations and business processes.</p> <p>From a macro perspective there is a growing threat of sophisticated cyber-related attacks.</p>	<p>An adverse event could lead to significant business interruptions, loss of employee data, and sensitive financial Group/customer data, including intellectual property. This could result in a significant financial, reputational, and/or regulatory impact.</p>	<ul style="list-style-type: none"> > Appropriate leadership and governance structures are in place > The organisation's Group IT strategy was launched in 2024. It will enable the Group to meet its digital and technological goals > Dedicated policies, procedures, and annual ICT awareness training, phishing simulations, and cyber security webinars are in place to educate and protect against cyber security > Dedicated ICT Security Team to manage ICT risks > IT business continuity and disaster recovery plans are in place and tested on a periodic basis > Continued investment in the prevention of cyber-related attacks



Mary & Tom Ryan from Moyne, Thurles, Co. Tipperary. Winners of the 2025 Quality Milk Awards and suppliers of Centenary Thurles.

Directors' Report

Directors' Report

For the period ended 27 December 2025

The directors submit their report together with the audited financial statements for the period ended 27 December 2025.

Directors' Responsibilities Statement

The directors are responsible for preparing the Annual Report and the financial statements in accordance with Irish law and regulations.

Irish law requires the directors to prepare financial statements for each financial period giving a true and fair view of the state of the Society's assets, liabilities, and financial position at the end of the financial period, and of its profit or loss for the financial period. Under that law, the directors have elected to prepare the financial statements in accordance with Generally Accepted Accounting Practice in Ireland (accounting standards issued by the Financial Reporting Council of the UK including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland' and Irish law).

In preparing these financial statements, the directors are 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
- > prepare the financial statements on a going concern basis, unless it is inappropriate to presume that the Society will continue in business.

The directors are responsible for keeping proper books of account that disclose, with reasonable accuracy at any time, the financial position of the Society and enable them to ensure that the financial statements have been properly prepared in accordance with the requirements of the Industrial and Provident Societies Act, 1893 to 2021. They are also responsible for safeguarding the assets of the Society and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

Books of Account

The directors, through the use of appropriate procedures and systems and the employment of competent persons, have ensured that measures are in place to secure compliance with the Group's obligation to keep proper books of account. The books of the Society are kept at its registered office.

The directors consider the Annual Report and accounts, taken as a whole, is fair, balanced and understandable and provides the information necessary for members to assess the Co-operative's position, performance, business model, and strategy.

Going Concern

For a period of at least twelve months from the date of approval of the financial statements, the directors have assessed the Group's budget, cash flow forecasts, and the assumptions relating to the profitability and cash generation of the Group.

The directors, after making enquiries, have a reasonable expectation that the Group has adequate resources to continue operating for the foreseeable future. For this reason, the going concern basis continues to be adopted in preparing the financial statements.

Principal Activities

Ornua is an Irish dairy co-operative that markets and sells dairy products on behalf of its Members, Ireland's dairy processors and, in turn, Irish dairy farmers. Ornua is Ireland's largest exporter of Irish dairy products and has annualised sales of €3.5 billion. Headquartered in Dublin, Ornua has a global team of 2,700 employees, operating from 10 business units worldwide, including 12 production facilities.

Ornua's purpose is to create value for Irish dairy farm families. It achieves this through: the marketing and sales of consumer brands, including Ireland's most successful food export Kerrygold, as well as Kerrygold Dubliner, Pilgrims Choice, Forto and BEO milk powders; the procurement of dairy products, and sale of dairy ingredients solutions to food manufacturing and foodservice customers across the world.

The business is supported by production facilities in Ireland, the UK, Germany, Spain, the US, Saudi Arabia, Nigeria, and by in-market teams in Africa and the Middle East.

2025 Global Markets

Global milk supply grew +2.5% for the year as all major producing regions expanded collections, driven mainly by improved margins and favourable conditions that boosted yields and increased output of cheese, butter, and SMP. While global dairy demand remained solid, it softened over the summer, with slower European retail growth, reduced urgency from export buyers, and weak foodservice activity as lower-income consumers ate out less. The combination of rising supply and easing demand pushed commodity prices down sharply in the second half of the year leading to weaker farm-gate milk prices. Looking ahead, European commodity prices have stabilised early this year and typically benefit from seasonal demand increases in the second quarter, and while prices may improve if supply growth moderates, they are unlikely to return to the highs seen in early 2025.

Financial Performance

Ornua reported a group turnover of €3.5 billion, with Group EBITDA and Operating Profit, pre Ornua Value Payment, increasing by 3.6% and 4.7% to €171.4 million and €136.6 million respectively, reflecting a strong performance despite high-cost inflation, a pressurised milk supply, and tough economic conditions in Germany. Ornua closed the year with a Net Debt of €163.1 million and Net Assets were €779.0 million. Ornua continued to deliver on its core purpose of creating value for Irish dairy and Irish dairy farming families, paying strong prices amounting to over €1.8 billion of premium Irish dairy products from Member Co-operatives. The Ornua Value Payment paid to Member Co-operatives for product purchased in the year amounted to €74.3m – up €9.1m on 2024 – of which €69.7m was charged to the Group Income Statement in the year. Ornua's working capital facilities provided to support Member Co-operatives, was consistent with the previous year at €481.5 million.

Operational Highlights

Key operational highlights for 2025 include:

- > Strong business performance with Group turnover marginally up at €3.5 billion, while Group EBITDA and Operating Profit increased by 3.6% and 4.7% respectively.
- > Kerrygold continued to hold market-leading positions in many major international markets: Number one butter brand in Ireland and Germany; Number two butter brand in the United States; Number two block butter brand in the UK market.
- > Kerrygold surpasses \$1 billion in retail sales value in the United States for the first time.
- > Over 14,000 containers of Irish dairy sold and shipped globally in the year.
- > Continued progress in reducing emissions, achieving an 8.5% reduction in Scope 1 and 2 emissions from the previous year.
- > Introduction of a new 5-year growth strategy titled 'Transforming for Growth' outlining Ornua's growth ambitions to 2030.
- > The business also introduced a new Operating Model, combining its expertise in Brands and Value-Add Ingredients into one central Global Commercial Division, supported by a central Global Operations Function.
- > The new Operating Model 'One Global Ornua' also includes a newly created Business Unit – Ornua Dairy Ingredients – with responsibility for Route-to-Market activity and Member Relations.

Health & Safety

The business continued to implement and develop its Global Health & Safety Management System underpinning its global approach to managing risk across all operations and facilities. During the year, comprehensive audits of system implementation were conducted at four key sites, while continued investment in process enhancements and increased mechanisation across all manufacturing facilities contributed to a strong performance in the safeguarding of all workplaces and spaces. The year closed with the company's lowest-ever Accident Rate of 1.78 per 100 employees, representing a 19% reduction on the previous year.

Subsidiary Undertakings

A list of the significant trading subsidiary companies is included in Note 27 to the financial statements.

Executive and Directors' Remuneration

Executive remuneration at Ornua is subject to full oversight by the Board and specifically, its Personnel and Remuneration Committee. The Personnel & Remuneration Committee report on page 44 outlines Committee information, remuneration consultants, remuneration policy, and key management personnel disclosure is outlined on page 87.

Directors' and Secretary's Shareholdings

The directors and Secretary and their families had no interests in the shares of the Society or any other Group company at any time during the period.

Political Donations

The Group did not make any political donations during the year (2024: €nil).

Corporate Governance

The Governance section on pages 26 to 33 sets out the Group's application of corporate governance principles and its adherence to the Plunkett Institute Code of Corporate Governance, the Group's governance structure, the Group's system of risk management and internal control and the principal risks and uncertainties facing the Group.

Auditors

The Rules of the Society provide that the Auditor shall be appointed at the Annual General Meeting. The incumbent Auditor is eligible for reappointment.

Post Balance Sheet Events

There have been no significant events since the period end which require disclosure in the financial statements.

Board members as at 27 December 2025

Director	Notes	Appointed by
Kevin Toland (iv)	Chair	Independent Non-Executive Director
Donal Buggy		Executive Director
Dominic Cronin (ii) (iv)		Irish Co-operative Organisation Society
Denis Drennan (i) (iii)		Irish Creamery Milk Suppliers Association
Dermot Farrell		Lakeland Dairies Co-operative Limited
Conor Galvin		Executive Director
Diarmuid Lally (ii) (iv)		Tirlán Co-operative Society Limited
Edmund Lynch (i) (iii)		Dairygold Co-operative Society Limited
Pat McCormack (ii) (iv)	Vice-Chair	Arrabawn Tipperary Co-operative Creamery Limited
Martin McElearney (i) (iii)		Irish Farmers Association
Anne McFarland (ii) (iv)		Independent Non-Executive Director
Anne O'Leary (i) (ii)		Independent Non-Executive Director
Michael O'Shea (i) (iii)		North Cork Co-operative Creameries Limited
Joe O'Sullivan (ii) (iii)		Carbery Food Ingredients Limited
Tom Cunniffe (iii) (iv)		Aurivo Co-operative Society Limited

Note on changes to the Board during 2025: Seán Sweeney was replaced by Tom Cunniffe as the nominee of Aurivo Co-op on 11 March 2025. Stephen Arthur was replaced by Martin McElearney as the nominee of the IFA on 1 May 2025. Aidan O'Driscoll was replaced by Kevin Toland as an INED and as Chair of the Board on 22 May 2025. Seán Brady stepped down from the Board on 11 November 2025. Dermot Farrell joined the Board replacing Seán Brady as the nominee of Lakeland Dairies on 1 December 2025. Jerry Houlihan stepped down from the Board as nominee of ArraTipp Co-op on 30 September 2025.

Committee members as at 27 December 2025

- (i) Member of the Audit and Risk Committee
- (ii) Member of the Personnel and Remuneration Committee
- (iii) Member of the Acquisitions and Investments Committee
- (iv) Member of the ESG and Rules Committee

Advisory Council members as at 27 December 2025

Member	Nominated by
Kevin Toland	Chair & Independent Non-Executive Director
Martin McElearney	Irish Farmers Association
Seán Molloy	Tirlán Co-operative Society Limited
Dominic Cronin	Irish Co-operative Organisation Society
John Hunter	Arrabawn Tipperary Co-operative Creamery Limited
Michael Harte	Dairygold Co-operative Society Limited
Jason Hawkins	Carbery Food Ingredients Limited
Colin Kelly	Lakeland Dairies Co-operative Limited
Denis Drennan	Irish Creamery Milk Suppliers Association
John Murphy	Tirlán Co-operative Society Limited
Pat Clancy	Dairygold Co-operative Society Limited
Eamon O'Sullivan	Arrabawn Tipperary Co-operative Society Limited
Michael Cronin	North Cork Co-operative Creameries Limited
Donal Tierney	Aurivo Co-operative Society Limited

Note on changes to the Advisory Council during 2025: Pat Clancy was appointed to the Advisory Council on 3 January 2025 replacing Seán O'Brien as representative of Dairygold Co-op. Martin McElearney replaced Stephen Arthur on the Advisory Council as representative of the Irish Farmers Association on 1 May 2025. Conor Ryan was replaced by Eamon O'Sullivan as representative of ArraTipp Co-op on 1 November 2025. Michael Cronin replaced Pat Sheahan as representative of North Cork Co-op on 12 December 2025.

On behalf of the Board of Directors

Kevin Toland
Chair
31 March 2026

Conor Galvin
Chief Executive

Board Committees

To support the effective discharge of its responsibilities and uphold the highest standards of co-operative corporate governance, the Board has implemented a structured committee framework. Each committee operates under written terms of reference, that are reviewed regularly, and clearly define its delegated authority and role. Details of the committees and their membership are provided below.

Audit & Risk Committee Report

On behalf of the Board, I am pleased to present the Audit and Risk Committee ("the Committee") Report for the year ended 27 December 2025 which describes how the Committee has carried out its responsibilities.

- Anne O'Leary

This report outlines how the Committee performed the functions delegated to it by the Board over the course of the year and contains the following information:

- > Membership
- > Responsibilities
- > Meetings
- > Activity

The role of the Audit and Risk Committee is to monitor and review the integrity of financial information and external reporting and to provide assurance to the Board that Ornu's internal controls and risk management processes including its internal audit, controls, business integrity, and compliance procedures are appropriate and regularly reviewed. The Committee oversees the work of the external auditor and monitors its independence.

Committee Membership

During the year, there were changes to the membership of the Committee with new members appointed. Currently, the Committee is made up of one independent non-executive director, four stakeholder-nominated directors and one non-director member as follows:

- > Anne O'Leary (Committee Chair)
- > Denis Drennan
- > Martin Kelly
- > Edmund Lynch
- > Martin McElearney (from 23 July 2025)
- > Michael O'Shea

The following were members of the Committee during the year:

- > Seán Sweeney (until 11 March 2025)
- > Stephen Arthur (until 1 May 2025)

The Group's Company Secretary (who is also Chief Risk and Compliance Officer) acts as secretary to the Committee and attends all meetings.

New Committee members underwent a programme of induction. During 2025, the Committee completed a self-assessment on its performance and reported to the Board on the conclusions.

Committee Responsibilities

The Committee's role, authority, duties, and scope are set out in its Terms of Reference which are available on Ornu's website. The Board may, on occasion, request assistance from the Audit and Risk Committee on specific matters.

Committee Meetings

During the year, the Committee held five meetings. The Chair of the Committee reported to the Board following Committee meetings.

Attendance at Audit and Risk Committee meetings in 2025 was 97%.

The Chief Executive Officer, the Chief Financial Officer, the Head of Internal Audit, the Head of Risk Management and Insurance and the external audit partner were invited to attend meetings, where attendance was required to address particular agenda items. Members of the Executive were also invited to present to the Audit and Risk Committee on specific areas of risk management.

At each meeting, the Committee has a separate discussion in the absence of management. In the performance of their duties, the Audit and Risk Committee members have unrestricted access to both the internal auditors and the external auditors.

The Audit and Risk Committee regularly reports its activities to the Board, enabling a well-informed evaluation of the Group's internal control systems and risk management framework.

Summary of Committee Activity Reporting and Financial Statements

Protecting the interests of shareholders by monitoring the integrity of the financial reporting is a priority for the Board. The Committee supports the Board by reviewing and reporting to the Board on the significant financial reporting issues and judgements applied in preparing the Group's Annual Report and statutory financial statements. The Committee reviews the appropriateness and consistency of the accounting policies applied in preparing the Group's financial statements. The Committee advises the Board on whether the annual report and financial statements taken as a whole give a true and fair view and give appropriate disclosure to ensure they are understandable.

As part of its work the Committee reviews the effectiveness of the statutory audit process taking into consideration all relevant regulatory requirements including independence. The Committee approves the statutory auditor's terms of engagement and remuneration as part of its role.

In 2025 the Committee has continued to regularly review the progress being made by Ornuo in improving its internal processes and improving its financial systems and technology.

Ornuo has internal control and risk management systems in place in relation to the organisation's financial and non-financial reporting processes. The Committee reviews the results of the output from reporting by Internal Audit and Group Risk and Compliance.

Risk Management and Internal Controls

The Committee supports the Board in monitoring and reviewing the effectiveness of the Group's risk management and internal control framework and ensures there is an appropriate assessment of emerging and principal risks. Together with the Board, the Audit and Risk Committee monitors key risks that could materially and adversely affect the Group's ability to achieve its strategic objectives, particularly those whose probability of occurrence and extent of impact continue to be impacted by uncertainty.

In fulfilling its key oversight responsibilities, the Committee engaged regularly with management, Group Internal Audit, Group Risk and Compliance, the statutory auditor and the Chief Technology Officer. During 2025, a new Compliance Management Framework was commenced and the Committee received regular updates on the progress being made.

The Audit and Risk Committee assesses the effectiveness of internal controls through regular review of the findings reported by both internal and external audit teams. The Committee reviews the findings and assesses the significance of the control deficiencies and monitors the implementation of the recommendations. Where the deficiency is deemed to be significant the Committee ensures that corrective action is immediate and alternative controls are put in place to safeguard the business.

As part of its role in providing assurance to the Board that appropriate controls are in place, the Committee received detailed presentations from: the Head of Trading on risk management, Ornuo's hedging policy and the implementation of a commodity trading system; the Chief Operations Officer on inventory management and inventory risk management; the Chief Technology Officer on cyber and operating technology security; the Head of Risk Management and Insurance on compliance management; and the Head of Procurement and Warehouse Operations Manager on Ornuo's supply chain management and demand planning.

The Committee reviewed the Group Whistleblower Policy, the Global Derivative Policy, the Anti-Bribery and Corruption Policy, the Global Treasury Policy, the Global AI Policy and the Global Information Security Policy.

Acquisitions & Investment Committee Report

On behalf of the Board, I am pleased to present the Acquisitions and Investments Committee ("the Committee") Report for the year ended 27 December 2025.

- Joe O'Sullivan

This report contains the following information:

- > Membership
- > Responsibilities
- > Meetings
- > Activity

Committee Membership

During the year, there were changes to the membership of the Committee with new members appointed.

Currently, the Committee is made up of six stakeholder-nominated directors as follows:

- > Joe O'Sullivan (Committee Chair)
- > Tom Cunniffe (from 23 July 2025)
- > Denis Drennan
- > Edmund Lynch
- > Martin McElearney (from 23 July 2025)
- > Michael O'Shea

The following were members of the Committee during the year:

- > Aidan O'Driscoll (until 22 May 2025)
- > Seán Brady (until 11 November 2025)
- > Anne O'Leary (until 19 November 2025)

The Group's Company Secretary acts as secretary to the Committee and attends all meetings.

Committee Responsibilities

The Committee's role, authority, duties, and scope are set out in its Terms of Reference which are available on Ornu's website. The Board may, on occasion, request assistance from the Acquisitions and Investments Committee on specific matters.

Committee Meetings

During the year, the Committee held five meetings. The Chair of the Committee reported to the Board following all Committee meetings. Attendance at Acquisitions and Investments Committee meetings in 2025 was 95%.

Summary of Committee Activity

In addition to the matters set out in its Terms of Reference, the key activities carried out by the Committee in 2025 included:

- > Carried out a review of the learnings from recent business and other asset disposals;
- > A detailed lookback on the acquisition of Whitehall Specialities;
- > Received a detailed lookback on Project Evolve, the implementation of an ERP system across the Group;
- > New Committee members underwent a programme of induction;
- > The Committee completed a performance review and developed an action plan based on the findings; and
- > Completed a partial review of the Acquisitions and Investments Committee Terms of Reference with a further review scheduled in 2026.

ESG & Rules Committee Report

On behalf of the Board, I am pleased to present the ESG and Rules Committee ("the Committee") Report for the year ended 27 December 2025.

- Pat McCormack

This report contains the following information:

- > Membership
- > Responsibilities
- > Meetings
- > Activity

Committee Membership

During the year, there were changes to the membership of the Committee with new members appointed. Seán Brady was replaced as Chair of the Committee by Pat McCormack on 19 November 2025. Currently, the Committee is made up of two independent non-executive directors and four stakeholder-nominated directors as follows:

- > Pat McCormack (Committee Chair)
- > Dominic Cronin
- > Tom Cunniffe (from 23 July 2025)
- > Diarmuid Lally
- > Anne McFarland
- > Kevin Toland (from 19 November 2025)

The following were members of the Committee during the year:

- > Seán Sweeney (until 11 March 2025)
- > Aidan O'Driscoll (until 22 May 2025)
- > Seán Brady (until 11 November 2025)

The Group's Company Secretary acts as secretary to the Committee and attended all meetings.

Committee Responsibilities

The Committee's role, authority, duties, and scope are set out in its Terms of Reference which are available on Ornu's website. The Board may, on occasion, request assistance from the ESG and Rules Committee on specific matters.

Committee Meetings

During the year, the Committee held five meetings. The Chair of the Committee reported to the Board following Committee meetings.

Attendance at ESG and Rules Committee meetings in 2025 was 87%.

Summary of Committee Activity

In addition to the matters set out in its Terms of Reference, the key activities carried out by the Committee in 2025 included:

- > Completed a full review of Ornu's Rules and proposed changes which were approved by the members at the 2025 AGM;
- > Reviewed and received a progress update on the schedule of governance policies approved by the Board;
- > Reviewed the Modern Slavery Statement;
- > Reviewed the Conflicts of Interest Policy;
- > Reviewed and evaluated Ornu's compliance with the Plunkett Institute Code of Corporate Governance in 2025;
- > Reviewed the ESG and Governance sections of the annual report;
- > New Committee members underwent a programme of induction;
- > Received updates on the implementation of Ornu's ESG Strategy;
- > Developed and reviewed the Board's training plan for 2025; and
- > Completed a performance review of the Committee and agreed an action plan based on the findings.

INED Nomination Committee Report

On behalf of the Board, the INED Nomination Committee ("the Committee") Report for the year ended 27 December 2025 is presented below.

This report contains the following information:

- > Membership
- > Responsibilities
- > Meetings
- > Activity

Committee Membership

The Committee was convened on 1 January 2025 and disbanded on 8 April 2025. The following directors were members:

- > Aidan O'Driscoll (Committee Chair)
- > Diarmuid Lally
- > Pat McCormack
- > Joe O'Sullivan
- > Michael O'Shea

The Group's Company Secretary acted as secretary to the Committee and attended all meetings.

Committee Responsibilities

The INED Nomination Committee was convened on 1 January 2025 to carry out the duties delegated to it regarding the appointment and reappointment of independent non-executive directors. A policy on the appointment and reappointment of independent non-executive directors (INEDs) and Terms of Reference for an INED Nomination Committee are in place. The Committee was constituted for the duration of the recruitment and selection process when a vacancy was due to arise for the position of Chair which resulted in the appointment of Mr Kevin Toland as an independent non-executive director and as Chair on 22 May 2025. During that time the Committee also oversaw the process for the reappointment of two existing INEDs, Ms Anne McFarland and Ms Anne O'Leary.

The Committee's role, authority, duties, and scope are set out in its Terms of Reference which are available on Ornu's website. The Board may, on occasion, request assistance from the INED Nomination Committee on specific matters.

Committee Meetings

During the year, the Committee held five meetings. The Chair of the Committee reported to the Board following Committee meetings.

Attendance at INED Nomination Committee meetings in 2025 was 92%.

Summary of Committee Activity

In addition to the matters set out in its Terms of Reference, the key activities carried out by the Committee in 2025 included:

- > Reviewed and approved the process for Board consideration of the reappointment of current INEDs to the Board;
- > Approved the process to fill the position of Chair;
- > Approved the appointment of an external search agency;
- > Approved the job description for the position of Chair;
- > Considered the longlist and shortlist of candidates for the position of Chair; and
- > Conducted interviews of shortlisted candidates and made a recommendation to the Board.

Personnel & Remuneration Committee Report

On behalf of the Board, I am pleased to present the Personnel & Remuneration Committee ("the Committee") Report for the year ended 27 December 2025.

- Anne McFarland

This report contains the following information:

- > Committee Information
 - > Membership
 - > Terms of Reference
 - > Meetings
 - > Activity
- > Remuneration Consultants
- > Remuneration Policy
- > Key Management Personnel Disclosure

Committee Membership

During the year, there were changes to the membership of the Committee with new members appointed. Currently the Committee is made up of six directors including two independent non-Executive Directors, as follows:

- > Anne McFarland (Chair)
- > Dominic Cronin
- > Diarmuid Lally
- > Pat McCormack
- > Anne O'Leary (from 19th November)
- > Joe O'Sullivan

The following were members of the Committee during the year:

- > Stephen Arthur (until 1st May)
- > Jerry Houlihan (until 30th September)

Committee Responsibilities

The Committee's role, authority, duties, and scope are set out in its Terms of Reference which are available on Ornu's website. The Board may, on occasion, request assistance from the Personnel and Remuneration Committee on specific matters.

Committee Meetings

During the year, the Committee held six meetings. The Chair of the Committee reported to the Board following Committee meetings.

Attendance at Personnel & Remuneration Committee meetings in 2025 was 92%.

The Chief Executive and members of the Group Executive were invited to attend Committee meetings for specified agenda items. Executives were not present when their own remuneration was discussed and decided.

Summary of Committee Activity

The following lists the key activities undertaken by the Committee in 2025:

- > Annual approvals in relation to salary, short term incentive payments, long term incentive grants, and payments; review of LTIP provision;
- > Assessment of 2024 Chief Executive KPIs;
- > Set Chief Executive KPIs;
- > External benchmarking of Group Executive remuneration and Director and Advisory Council fees;
- > Review of STIP across the company;
- > Approval of remuneration for the new Chief Commercial Officer and Chief Operations Officer;
- > Review of Gender Pay Gap reporting and update on pay transparency; and
- > Completed a performance review of the Committee and developed an action plan based on the findings.

Remuneration Consultants

The Committee engaged with external pension consultants, Mercer UK and Performance Reward Consulting, during the year.

Remuneration Policy

Ornu's Remuneration Policy has been designed to support and align around Ornu's Values, Purpose, and delivery of Business Strategy.

The remuneration framework for Ornu's Group Executive is based on a total remuneration approach which is delivered through fixed and variable remuneration. The fixed component of remuneration consists of base salary, allowances, and pension and will be in the range of 40-60% of total remuneration.

Key Management Personnel Disclosure

The remuneration of key management personnel, charged to the Group Income Statement (but not necessarily paid in 2025) is shown on page 87.





Financial Statements

Independent Auditor's Report

to the members of Ornu Co-Operative Limited

Report on the audit of the financial statements

Opinion on the financial statements of Ornu Co-Operative Limited (the "Group")

In our opinion the Group financial statements:

- > give a true and fair view of the assets, liabilities and financial position of the Group as at 27 December 2025 and of the profit of the Group for the period then ended; and
- > have been prepared in accordance with the applicable financial reporting framework.

The financial statements we have audited comprise:

- > the Group Income Statement;
- > the Group Statement of Comprehensive Income;
- > the Group Balance Sheet;
- > the Group Statement of Changes in Equity;
- > the Group Cash Flow Statement; and
- > the related notes 1 to 29, including a summary of significant accounting policies as set out in note 1.

The financial reporting framework that has been applied in Group financial statements is Irish law and FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" issued by the Financial Reporting Council ("the applicable 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 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), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group'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.

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

Other information

The other information comprises the information included in the Annual Report, other than the financial statements and our auditor's report thereon. The Directors are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in 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.

Independent Auditor's Report to the members of Ornu Co-Operative Limited (continued)

Responsibilities of Directors

As explained more fully in the Directors' Responsibilities Statement, the Directors are responsible for the preparation of the financial statements that give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group's 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.

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 parent society balance sheet showing the receipts and expenditure, funds and effects of the society, and verified the same with the books, deeds, documents, accounts and vouchers relating thereto, and found them to be correct, duly vouched and in accordance with law.

Use of our report

This report is made solely to the 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 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 society and the society's members as a body, for our audit work, for this report, or for the opinions we have formed.

Ann McGonagle

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

31 March 2026

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

for the period ended 27 December 2025

	Notes	2025 €'000	2024 €'000
Turnover		3,450,311	3,394,591
Cost of sales		(3,016,986)	(2,964,516)
Gross profit		433,325	430,075
Selling and distribution expenses		(257,636)	(263,944)
Administration expenses – excluding intangible amortisation		(95,647)	(95,818)
Intangible amortisation		(13,222)	(12,588)
Operating profit before exceptional items		66,820	57,725
Exceptional items	4	(1,532)	(6,619)
Operating profit after exceptional items		65,288	51,106
Share of results of joint ventures	9	137	271
Interest payable		(17,562)	(24,082)
Interest receivable		2,973	2,870
Net interest expense on defined benefit pension schemes	23	(257)	(326)
Profit before taxation	2	50,579	29,839
Taxation	5	(16,524)	(7,119)
Profit for the financial period		34,055	22,720
Profit attributable to:			
Owners of the parent		34,415	23,408
Non-controlling interest		(360)	(688)
		34,055	22,720

The notes on pages 54 to 90 form part of these financial statements.

Group Statement of Comprehensive Income for the period ended 27 December 2025

	2025 €'000	2024 €'000
Profit for the period	34,055	22,720
Other comprehensive income/(expense)		
– Remeasurement of net defined benefit obligation	5,272	2,751
– Cash flow hedges:		
– Change in value of hedging instruments	8,784	(24,626)
– Reclassification to profit and loss	2,821	12,800
– Currency translation differences	(47,595)	24,737
– Total tax on components of other comprehensive (expense)/income	(4,086)	1,412
Other comprehensive (expense)/income for the financial period, net of tax	(34,804)	17,074
Total comprehensive (expense)/income for the period	(749)	39,794
Total comprehensive (expense)/income attributable to:		
Owners of the parent	(58)	40,392
Non-controlling interest	(691)	(598)
	(749)	39,794

Group Balance Sheet as at 27 December 2025

	Notes	2025 €'000	2024 €'000
Fixed assets			
Intangible assets	7	52,671	66,946
Tangible assets	8	263,494	274,975
Joint ventures	9	842	744
Loans to joint venture	9	–	221
Other investments	9	845	845
		317,852	343,731
Current assets			
Inventories	10	899,800	901,334
Debtors	11	439,516	463,060
Restricted cash	21	8,917	8,175
Cash and bank balances	20	25,562	62,966
		1,373,795	1,435,535
Creditors: amounts falling due within one year	12	(688,062)	(809,398)
		685,733	626,137
Net current assets			
		1,003,585	969,868
Total assets less current liabilities			
Creditors: amounts falling due after one year	15	(201,827)	(162,549)
Retirement benefit obligation	23	(7,466)	(9,764)
Provision for liabilities	17	(15,266)	(15,301)
		779,026	782,254
Net assets			
Capital and reserves			
Called up share capital	18	19,649	19,649
Revenue reserves	18	770,850	780,096
Cash flow hedging reserve	18	(972)	(10,160)
Share premium	18	32	32
Capital levy account	18	256	256
		789,815	789,873
Members' equity interest (before redeemable loan stock)		789,815	789,873
Redeemable loan stock	6	–	2,479
		789,815	792,352
Members' funds		789,815	792,352
Non-controlling interest		(10,789)	(10,098)
		779,026	782,254
Total equity			

The notes on pages 54 to 90 form part of these financial statements.

On behalf of the Board of Directors

Kevin Toland
Chair
31 March 2026

Conor Galvin
Chief Executive

Group Statement of Changes in Equity for the period ended 27 December 2025

	Share Capital €'000	Share Premium €'000	Share Hedging Reserve €'000	Cash Flow Hedging Reserve €'000	Capital Levy Account €'000	Revenue Reserves €'000	Redeemable Loan Stock €'000	Members Equity Interest €'000	Non- controlling Interests €'000	Total €'000
At 30 December 2023	19,649	32	(99)	256	729,643	4,459	753,940	(8,792)	745,148	
Profit for the period	-	-	-	-	23,408	-	23,408	(688)	22,720	
Other comprehensive income/(expense) for the period:										
Remeasurement of net defined benefit obligation	-	-	-	-	2,751	-	2,751	-	2,751	
Cash flow hedges:										
– Change in value of hedging instruments	-	-	(24,626)	-	-	-	(24,626)	-	(24,626)	
– Reclassification to profit and loss	-	-	12,800	-	-	-	12,800	-	12,800	
Currency translation differences	-	-	-	-	24,647	-	24,647	90	24,737	
Redemption of loan stock (note 6)	-	-	-	-	-	(1,980)	(1,980)	-	(1,980)	
Disposal of business	-	-	-	-	-	-	-	(708)	(708)	
Total tax on components of other comprehensive income	-	-	1,765	-	(353)	-	1,412	-	1,412	
At 28 December 2024	19,649	32	(10,160)	256	780,096	2,479	792,352	(10,098)	782,254	
Profit for the period	-	-	-	-	34,415	-	34,415	(360)	34,055	
Other comprehensive income/(expense) for the period:										
Remeasurement of net defined benefit obligation	-	-	-	-	5,272	-	5,272	-	5,272	
Cash flow hedges:										
– Change in value of hedging instruments	-	-	8,784	-	-	-	8,784	-	8,784	
– Reclassification to profit and loss	-	-	2,821	-	-	-	2,821	-	2,821	
Currency translation differences	-	-	-	-	(47,264)	-	(47,264)	(331)	(47,595)	
Redemption of loan stock (note 6)	-	-	-	-	-	(2,479)	(2,479)	-	(2,479)	
Total tax on components of other comprehensive expense	-	-	(2,417)	-	(1,669)	-	(4,086)	-	(4,086)	
At 27 December 2025	19,649	32	(972)	256	770,850	-	789,815	(10,789)	779,026	

A description of each reserve account is included in note 18.

Group Cash Flow Statement

for the period ended 27 December 2025

	Notes	2025 €'000	2024 €'000
Cash (used in)/generated from operations	19	(34,312)	120,941
Income tax paid		(10,526)	(3,941)
Net cash (outflow)/inflow from operating activities		(44,838)	117,000
Cash flows from investing activities			
Purchase of tangible assets	8	(24,234)	(22,164)
Purchase of intangible assets		(1,743)	(9,002)
Proceeds from sale of assets		4,745	23
Loan repaid by joint venture	9	210	–
Proceeds from sale of businesses		–	9,449
Interest received		2,973	2,870
Increase in restricted cash	21	(742)	(1,722)
Net cash used in investing activities		(18,791)	(20,546)
Cash flows from financing activities			
Interest paid		(18,044)	(23,519)
Proceeds from/(repayment of) borrowings		40,000	(40,000)
Payments in respect of loan stock		(2,230)	(2,209)
Net cash generated from/(used in) financing activities		19,726	(65,728)
Net (decrease)/increase in cash and cash equivalents in the period		(43,903)	30,726
Balance at beginning of the period			
Foreign exchange gains/(losses)		6,499	(2,996)
Cash and cash equivalents at the end of the period	20	25,562	62,966

Notes to the Financial Statements

1 Statement of Accounting Policies

A) Statement of Compliance

These financial statements have been prepared in accordance with applicable accounting standards, including Financial Reporting Standard 102 – “The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland” (“FRS 102”). The Group financial statements comprise the Income Statement, the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity, the Cash Flow Statement, and the notes to the financial statements.

The financial statements have been prepared under the historical cost basis except for the modification to a fair value basis for certain financial instruments as specified in the accounting policies below and the measurement of the net defined benefit pension liabilities/assets at the fair value of the plan assets less the present value of the defined benefit obligation.

During 2025, the Group carried out a review of how costs were being classified across the Group. As a result of that review, the Group has restated the 2024 comparative cost figures so that costs are classified in categories that are more aligned with how we run the business. The effect of this in 2024 is to increase cost of sales by €11.9m, increase selling and distribution expenses by €7.7m and decrease administration expenses by €19.6m. There was no change in total costs or in operating profit as a result of this change.

The Directors, after making appropriate enquiries, 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 financial statements. The Group therefore considers it appropriate to adopt the going concern basis in preparing its financial statements.

The financial statements contained herein are presented in Euro, which is the functional currency of the Parent Company, Ornu Co-operative Limited. The functional currencies of the Group’s main subsidiaries are Euro, US dollar and Sterling.

The 2025 financial statements are for 52 weeks from 29 December 2024 to 27 December 2025. The comparative period was the 52 weeks from 31 December 2023 to 28 December 2024.

B) Basis of Consolidation

The financial statements of the Parent Society and its subsidiary undertakings are incorporated in the Group financial statements. All Group companies apply consistent accounting policies.

- (i) Subsidiary undertakings are included in the financial statements from the date on which control is obtained and cease to be consolidated from the date on which control is lost by the Group. Subsidiaries are all entities where the Group has control. Control is the power to govern the financial and operating policies of an entity to obtain benefits from its activities.
- (ii) An associate is an entity, being neither a subsidiary nor a joint venture, in which the Group holds a long-term interest and where the Group has significant influence. The Group considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate. The results of associates are accounted for using the equity method of accounting.
- (iii) Non-controlling interests represent the proportion of the profit or loss and net assets of a subsidiary attributable to equity interests that are not owned, directly or indirectly through subsidiaries, by the Group. The Group treats transactions with non-controlling interests as transactions with equity owners of the Group. For purchases of equity from non-controlling interests, the difference between any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recognised directly in equity. Gains or losses on disposals to non-controlling interests, without a loss of control, are also recognised directly in equity.
- (iv) In the Income Statement, the Group shows separately the results of continuing and discontinued operations. All operations are classified as continuing unless an operation meets the criteria to be classified as a discontinued operation. A discontinued operation is a component of an entity that has been disposed of and:
 - (a) represents a separate major line of business or geographical area of operations; or
 - (b) was part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations; or
 - (c) was a subsidiary acquired exclusively with a view to resale.

Notes to the Financial Statements (continued)

1 Statement of Accounting Policies (continued)

B) Basis of Consolidation (continued)

- (v) When the Group ceases to have control, any gain or loss is recognised in the Income Statement. The cumulative amounts of any difference on translation, recognised in equity, are not included in the gain or loss on disposal. The gain or loss also includes amounts included in Other Comprehensive Income that are required to be reclassified to the Income Statement. Where control of a subsidiary is achieved in stages, the initial acquisition that gave the Group control is accounted for as a business combination. Thereafter where the Group increases its controlling interest in the subsidiary the transaction is treated as a transaction between equity holders. Any difference between the fair value of the consideration paid and the carrying amount of the non-controlling interest acquired is recognised directly in equity. No changes are made to the carrying value of assets, liabilities or provisions for contingent liabilities.
- (vi) Intercompany transactions, balances and unrealised gains and losses on transactions between Group companies are eliminated upon consolidation.

C) Revenue Recognition

Revenue represents the value of the consideration received or receivable, for goods and services from third party customers. Revenue is recorded at invoice value, net of discounts, allowances, volume and promotional rebates and excludes VAT. The Group recognises revenue when (a) the significant risks and rewards of ownership have been transferred to the buyer; (b) the amount of revenue can be measured reliably; and (c) it is probable that future economic benefits will flow to the Group. Revenue is recognised when control of the products has transferred, which is usually upon shipment, or in line with terms agreed with individual customers.

Rebates and discounts are provided for based on agreements or contracts with customers, agreed promotional arrangements and accumulated experience. Any unutilised accrual is released after assessment that the likelihood of such a claim being made is highly improbable.

The Group has entered into a sale of debtor arrangement. Under the terms of this agreement the Group has transferred substantially all of the credit risk which is subject to this agreement. The Group retains a minor element of late payment risk. Accordingly, once these debtors are sold, the trade debtors are derecognised from the Group's Balance Sheet.

Interest income is booked on an accruals basis, by reference to the principal outstanding and at the effective interest rate over the period to expected maturity.

D) Exceptional Items

The Group has adopted an Income Statement format which highlights significant items within the Group's results for the period. Exceptional items are those items of income and expense that the Group considers are material and/or of such a nature that their separate disclosure is relevant to a better understanding of the Group's financial performance. Judgement is used by the Group in assessing the particular items which, by virtue of their materiality and/or nature, are disclosed in the Group Income Statement and related notes as exceptional items.

E) Inventory

Inventories are valued at the lower of cost and estimated selling price less costs to sell. Cost is determined using weighted average costing method. Cost comprises purchase price, including taxes and duties and transport costs attributable to bringing the inventory to its present location and condition. Cost of product includes the Ornuu Value Payment made in relation to that product. Selling price less costs to sell is based on contracted or estimated selling prices and all further costs to completion as well as selling and distribution expenses.

In certain circumstances, the Group purchases inventory under arrangements in which final purchase price has not been fully determined by the period end. In these circumstances the Group uses judgement to estimate the final purchase price using all available information including external benchmarks.

At the end of each reporting period, inventories are assessed for impairment by comparing the carrying value of the inventory to the selling prices less costs to sell of the inventory. Judgement is required in estimating the selling price of inventory. The Group uses all available information such as recent sales and quoted market prices if applicable. If the carrying value is greater than the estimated selling prices less costs to sell, the item is impaired and an impairment provision is raised to reduce the carrying value of inventory. Such impairment provisions are booked in cost of sales in the Income Statement and are netted against the carrying value of inventory in the Balance Sheet.

Notes to the Financial Statements (continued)

1 Statement of Accounting Policies (continued)

E) Inventory (continued)

The Group enters into sales contracts which subsequently may become onerous. A sales contract becomes onerous when the sales price within the contract is not sufficient to cover the cost of completing the contract. The Group assesses at the end of each reporting period whether the sales prices within these sales contracts are sufficient to cover the cost of completing these contracts. Judgement can be required to estimate the cost of completing these contracts, in particular in estimating the purchase cost of inventory not on hand that is required to complete the obligation in the contract. The Group uses all available information to estimate the cost of purchasing the required inventory such as recent purchases and quoted market prices if applicable. If the sales prices in these contracts are not sufficient to cover the cost of completing these contracts, the Group raises an onerous contract provision, which is the difference between the sales price and the estimated cost of completing the contract. Such onerous provisions are booked within cost of sales in the Income Statement and are carried and disclosed in the Balance Sheet within Provision for Liabilities.

Stock of spare parts for items of plant and equipment which meet the criteria to be capitalised are carried within inventory.

A number of member suppliers to the Group have entered into a reverse invoice discounting facility (RID facility) with a panel of International Banks led by Rabobank International to sell amounts owed to them by the Group. Under this agreement, the Group acknowledges invoices on behalf of the member suppliers to enable them to receive early payment of those invoices. Upon acknowledgement of member invoices which have been sold to Rabobank, the Group's obligations to the member is extinguished and the Group thereafter assumes an obligation to pay the amount of member invoices sold to Rabobank. There is no amendment to the underlying terms of the invoice, including credit terms. Amounts payable to Rabobank under this facility are disclosed separately within creditors in note 12.

The Group enters forward contracts with a subsidiary of Rabobank in respect of the purchase of inventories. The Group avails of the own use exemption not to fair value these contracts.

F) Insurance Captive

One of the Group's subsidiaries is an insurance captive. The principal activity of the insurance captive is the provision of insurance cover to the Group in respect of property damage and business interruption, marine, product recall, contaminated product liability, credit and products liability.

Claims incurred consist of amounts paid or provided for in respect of claims occurring during the current period.

The provision for outstanding claims represents provisions for known claims plus an estimate for claims incurred but not reported and for the related costs of settlement as well as an unexpired risk reserve. The provision for outstanding claims, which is based on actuarial calculations, is believed to be adequate to cover the ultimate cost of claims incurred to the balance sheet date, but are necessarily estimates and may be ultimately settled for a greater or lesser amount. The cost of claims incurred includes a provision for related direct and indirect claims handling expenses.

Significant delays are experienced in the notification and settlement of certain types of general insurance claims, particularly in respect of liability business, the ultimate cost of which may vary from the original assessment. Adjustments to the amounts of claim provisions established in prior financial years are reflected in the financial statements for the period in which the adjustments are made and disclosed separately, if material.

G) Tangible Assets

Tangible assets are stated at cost less accumulated depreciation and any accumulated impairment losses. Cost includes original purchase price, costs directly attributable to bringing the asset to its location and working condition for its intended use. Subsequent expenditure incurred for the purpose of acquiring, extending, or improving assets of a permanent nature by means of which to carry on the business or to increase the earning capacity of the business is treated as capital expenditure and such expenses are recognised in the carrying amount of an asset. The costs associated with day-to-day servicing of property, plant and equipment are recognised in the income statement as incurred.

Tangible assets are derecognised on disposal or when no future economic benefits are expected. On disposal, the difference between the net disposal proceeds and the carrying amount is recognised in the Income Statement. There are no internal capitalised costs within tangible assets.

Notes to the Financial Statements (continued)

1 Statement of Accounting Policies (continued)

G) Tangible Assets (continued)

Depreciation is not provided on freehold land. Depreciation on other tangible fixed assets is provided on a straight-line basis as appropriate to allocate the depreciable amount to their residual values over their estimated useful lives, as follows:

- > Freehold buildings: 2% to 5%
- > Leasehold land and buildings: written off over the term of the lease or its estimated useful life, whichever is the lower
- > Plant and equipment: 5% to 33%
- > Motor vehicles: 10% to 33%

In most cases the estimated residual value of other tangible assets is taken to be nil. The assets useful lives are considered and adjusted, if appropriate in each reporting period. The effect of any change is accounted for prospectively.

Assets in the course of construction are stated at cost. These assets are not depreciated until they are available for use.

If there are any indications that a tangible asset is impaired, the recoverable amount of the asset is compared to the carrying amount of the tangible asset. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. In general, in assessing recoverable amount of a tangible asset the Group uses the value in use of the asset. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risk specific to the asset or Cash Generating Unit (CGU). The impairment loss recognised is the amount by which the tangible asset or CGU's carrying amount exceeds its recoverable amount. Where an asset does not generate cash flows that are independent from other assets, the Group estimates the recoverable amount of the CGU to which the tangible asset belongs. In general, in assessing the recoverable amount of a CGU the Group uses the value in use of the CGU. A CGU is the lowest level for which there are separately identifiable cash inflows that are largely independent of the cash inflows of other assets or groups thereof. If a tangible asset is impaired the impairment loss is the difference between the carrying amount and its recoverable amount. The impairment loss is recognised in the Income Statement. If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. Any impairment reversal is limited, so that the assets carrying amount can not exceed the carrying amount that would be reflected had the assets never been impaired. The impairment reversal is recognised in the Income Statement.

H) Leased Assets

Leases that do not transfer substantially all the risks and rewards of ownership are classified as operating leases.

Operating lease rentals are charged to the Income Statement on a straight line basis over the lease term. Incentives received to enter into an operating lease are credited to the Income Statement on a straight line basis over the period of the lease.

I) Grants

Capital based grants towards the construction of assets are accounted for based on the accrual model in the period they are received and are treated as deferred credits in the Balance Sheet. These grants are released to the Income Statement on the same basis as the related assets are depreciated.

J) Business Combinations and Intangible Assets (including Goodwill)

Business combinations are accounted for using the purchase method. The cost of the business combination is the fair value of the consideration given. Goodwill is equal to the difference between fair value of assets and liabilities acquired and the fair value of consideration given after taking account of the related direct costs of completing the acquisition. Contingent consideration is initially recognised at estimated amount where the consideration is probable and can be measured reliably. Where the contingent consideration is not considered probable or can't be measured reliably but subsequently becomes probable and measurable or contingent consideration previously recognised is adjusted, the amounts are recognised as an adjustment to the cost of the business combination.

Any excess of the cost of the business combination over the acquirer's interest in the net fair value of the identifiable assets and liabilities is recognised as goodwill. On acquisition, goodwill is allocated to CGUs that are expected to benefit from the combination.

Notes to the Financial Statements (continued)

1 Statement of Accounting Policies (continued)

J) Business Combinations and Intangible Assets (including Goodwill) (continued)

Goodwill is amortised on a straight line basis over its useful economic life, subject to a maximum of 15 years. Goodwill is assessed for impairment when there are indications of impairment and any impairment is charged to the Income Statement. An impairment of goodwill is never reversed.

Goodwill is amortised over a period greater than five years because it arises on the acquisition of businesses which are expected to generate profits over the long term.

If negative goodwill arises on a business combination, the Group recognises the excess up to the fair value of non-monetary assets acquired in profit or loss in the periods in which the non-monetary assets are recovered. Any excess exceeding the fair value of non-monetary assets acquired shall be recognised in the Income Statement in the periods expected to benefit.

The Group shall recognise in its financial statements' provisional amounts for the items for which the accounting is incomplete. Within twelve months after the acquisition date, the Group shall retrospectively adjust the provisional amounts recognised as assets and liabilities at the acquisition date to reflect new information obtained (i.e., account for them as if they were made at the acquisition date).

K) Intangible Assets

Intangible assets are measured at cost less accumulated amortisation and any accumulated impairment losses. Amortisation is calculated using the straight-line method to allocate the depreciable amount of the assets to their residual value over their expected useful lives as follows:

- > Software 3-8 years.
- > Other intangibles include supply contracts, customer relationships and trade names and are amortised over periods ranging from 10-20 years.

For accounting periods beginning after 1 January 2019, the Group only recognises intangible assets separate from goodwill in a business combination when all three of the following conditions are met:

- (a) the recognition criteria are met (i.e., that it is probable that economic benefits will flow and the value of the asset can be measured reliably);
- (b) the intangible asset arises from contractual or other legal rights; and
- (c) the intangible asset is separable.

Software development costs are recognised as an intangible asset when all of the following criteria are demonstrated:

- > the technical feasibility of completing the software so that it will be available for use or sale;
- > the intention to complete the software and use or sell it;
- > the ability to use the software or to sell it;
- > how the software will generate probable future economic benefits;
- > the availability of adequate technical, financial and other resources to complete the development and to use or sell the software; and
- > the ability to measure reliably the expenditure attributable to the software during its development.

Acquired software costs are recognised as an intangible asset at their purchase price and amortised over the estimated economic useful life of the asset. Internally generated software costs directly associated with development projects are amortised over the estimated economic useful life of the asset.

If there is an indication that there has been a significant change in amortisation rate or residual value of an intangible asset, the amortisation of that asset is revised prospectively to reflect the new expectations.

L) Research and Development

Research and development expenditure is written off to the Income Statement in the period in which it is incurred.

Notes to the Financial Statements (continued)

1 Statement of Accounting Policies (continued)

M) Employee Benefits

(i) Short Term Benefits

Short term benefits, including holiday pay are recognised as an expense in the period in which the service is received.

(ii) Pension Obligations

The Group operates a number of defined benefit and defined contribution plans, the assets of which are held in separate trustee administered funds. A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and has no legal or constructive obligations to pay further amounts. A defined benefit plan is a post-employment plan other than a defined contribution plan.

(a) Defined Contribution Plans

Contributions to defined contribution plans are recognised as an expense in the Income Statement as incurred.

(b) Defined Benefit Plans

The Group's net obligation/asset in respect of defined benefit plans (both funded and unfunded schemes) is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method. The fair value of plan assets is measured in accordance with the FRS 102 fair value hierarchy and in accordance with the Group's policy for similarly held assets.

The fair value measurement hierarchy is as follows:

- > quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);
- > inputs, other than quoted prices included in Level 1, that are observable for the asset or 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).

When the calculation of the defined benefit obligation and the fair value of the plan assets results in a potential asset for the Group, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds. An asset is recognised only if the Group has an unconditional right to a refund in either of the following circumstances:

- (a) during the life of the plan, without assuming that the plan liabilities must be settled in order to obtain the refund, or
- (b) assuming the gradual settlement of the plan liabilities over time until all members have left the plan, or
- (c) assuming the full settlement of the plan liabilities in a single event (i.e., as a plan wind-up).

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to Other Comprehensive Income. These amounts together with the return on plan assets, less amounts included in net interest are disclosed as "Remeasurement of net defined benefit obligation".

The cost of the defined benefit plan recognised in the Income Statement comprises:

- (a) the increase in pension benefit liability arising from employee service during the period; and
- (b) the cost of plan introductions, benefit changes, curtailments and settlements.

Negative past service costs are recognised when benefits under the defined benefit pension schemes are modified and such modifications are approved by the Pensions Board.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of the plan assets. The cost is recognised in the Income Statement as a finance cost.

Notes to the Financial Statements (continued)

1 Statement of Accounting Policies (continued)

M) Employee Benefits (continued)

(iii) Termination Benefits

Termination benefits are payable when employment is terminated before normal retirement date or whenever an employee is expected to accept voluntary redundancy.

The Group recognises these costs when it is demonstrably committed to terminating the employment of current employees in line with a formal plan or providing termination benefits as a result of the expected take up of an offer for voluntary redundancy.

(iv) Other Long Term Employee Benefits

The Group operates a Long Term Incentive Plan (LTIP), which provides for awards granted to a limited number of executives and senior management as nominated by the Chief Executive and approved by the Personnel and Remuneration Committee. The LTIP is measured both in terms of profitability, working capital performance and product prices returned to members over the vesting period. The value of awards granted is an estimate which is primarily derived from an adjusted Group profitability calculation adjusted to reflect product prices returned to members, members bonuses and some other financial metrics. The total amount expected to be paid out under the scheme, is expensed over the vesting period, which is three years.

At each balance sheet date the Group revises its estimate of the expected cost for both the actual out-turn and forecast out-turn as well as for the number of awards expected to vest, with the adjustment recognised in the Income Statement. Significant judgement is used in the estimation of the percentage of awards that will ultimately vest.

N) Taxation

Taxation expense for the period comprises current and deferred tax recognised in the reporting period. 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.

- (i) Current tax is recognised for the amount of income tax payable in respect of the taxable profit for the current or past reporting periods using the tax rates and laws that have been enacted or substantively enacted by the reporting date. Management periodically evaluates positions in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. A provision is recognised for those matters for which the tax determination is uncertain but it is considered probable that there will be a future outflow of funds to a tax authority. The provisions are measured at the best estimate of the amount expected to become payable. Further detail is set out in the section "Use of judgements and estimates in applying the Group's accounting policies".

Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

- (ii) Deferred tax is recognised in respect of all timing differences at the reporting date, except as otherwise indicated. Deferred tax is not discounted. Deferred tax assets are only recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is recognised when income or expenses from a subsidiary or associate have been recognised, and will be assessed for tax in a future period, except where:

- > the Group is able to control the reversal of the timing difference; and
- > it is probable that the timing difference will not reverse in the foreseeable future.

A deferred tax liability or asset is recognised for the additional tax that will be paid or avoided in respect of assets and liabilities that are recognised in a business combination. The amount attributed to goodwill is adjusted by the amount of deferred tax recognised.

Deferred tax is calculated using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

Notes to the Financial Statements (continued)

1 Statement of Accounting Policies (continued)

O) Provisions and Contingent Liabilities

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value using a pre-tax discount rate. The unwinding of the discount is recognised as a finance cost in the Income Statement in the period it arises.

A provision for restructuring is recognised when the Group has a detailed formal plan for the restructuring and has raised a valid expectation in those affected by either starting to implement the plan or announcing its main features to those affected and therefore has a legal or constructive obligation to carry out the restructuring. Provisions also include onerous contracts, further details are provided in E above.

Contingent liabilities are not recognised, except those acquired in a business combination. Contingent liabilities arise as a result of past events when (i) it is not probable that there will be an outflow of resources or that the amount cannot be reliably measured at the reporting date or (ii) when the existence will be confirmed by the occurrence or non-occurrence of uncertain future events not wholly within the Group's control. Contingent liabilities are disclosed in the financial statements unless the probability of an outflow of resources is remote.

P) Borrowings and Cash and Cash Equivalents and Restricted Cash

Interest bearing loans and overdrafts are recognised initially at fair value, which is the proceeds received, net of transaction costs. Borrowings are subsequently measured at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the Income Statement over the period of the borrowings using the effective interest method.

All transaction costs relating to borrowings including bank arrangement fees are amortised over the period of the relevant facility. The Group does not capitalise borrowing costs relating to acquisition or construction of assets.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. All borrowing costs are recognised in the Income Statement in the period in which they are incurred.

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short term highly liquid investments with original maturities of three months or less and bank overdrafts. Bank overdrafts, when applicable are shown within borrowings in current liabilities.

Certain cash and cash equivalents in the Group are restricted for use solely within the Group's insurance captive. Such cash and cash equivalents are disclosed separately as restricted cash on the Group Balance Sheet.

Q) Foreign Currency Translation

(i) Functional and Presentation Currency

The consolidated financial statements are presented in Euro, rounded to thousands, which is the Parent Society's functional and presentation currency. Items included in the financial statements of each of the Group's entities are measured using the currency that reflects the primary economic environment in which the entity operates ("the functional currency"). The functional currencies of the Group's main subsidiaries are Euro, US dollar and Sterling.

Notes to the Financial Statements (continued)

1 Statement of Accounting Policies (continued)

Q) Foreign Currency Translation (continued)

(ii) Transactions and Balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Income Statement, except when (a) deferred in equity as qualifying cash flow hedges or (b) on the retranslation of net investments in foreign operations.

Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Rates used for translation of results and net assets into Euro:

€ 1 =	Average Rates		Period end Rates	
	2025	2024	2025	2024
USD	1.1293	1.0828	1.1775	1.0409
GBP	0.8566	0.8471	0.8726	0.8312

(iii) Group Companies

The results and financial position of all of the Group entities that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each Balance Sheet presented are translated at the closing rate at the date of that Balance Sheet;
- goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and are translated at the closing rate;
- income and expenses for each Income Statement are translated at average exchange rates; and
- all resulting exchange differences are recognised in Other Comprehensive Income and presented within revenue reserves in equity.

R) Impairment of Non-financial Assets

At each balance sheet date for non-financial assets not carried at fair value, the Group considers whether there are any indications that the asset may be impaired. If there are any such indications of impairment the recoverable amount of the asset is compared to the carrying amount of the asset. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. In general, in assessing the recoverable amount of an asset, the Group uses the value in use of the asset. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risk specific to the asset or CGU. The impairment loss recognised is the amount by which the asset or CGU's carrying amount exceeds its recoverable amount.

Where an asset does not generate cash flows that are independent from other assets, the Group estimates the recoverable amount of the CGU to which the asset belongs. In general, in assessing the recoverable amount of a CGU, the Group uses the value in use of the CGU. A CGU is the lowest level for which there are separately identifiable cash inflows that are largely independent of the cash inflows of other assets or groups thereof.

If a non-financial asset is impaired, the impairment loss is the difference between the carrying amount and its recoverable amount.

The impairment loss is recognised in exceptional items in the Income Statement. If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. Any impairment reversal is limited, so that the assets carrying amount can not exceed the carrying amount that would be reflected had the assets never been impaired. The impairment reversal is recognised in exceptional items in the Income Statement.

Notes to the Financial Statements (continued)

1 Statement of Accounting Policies (continued)

S) Share Capital

Ordinary shares are classified as equity.

T) Bonus Fund and Redeemable Loan Stock

The Board is empowered under the Rules of Ornuva Co-operative Limited ("The Rules") to set up an annual bonus fund and issue bonus shares and redeemable loan stock to the members based upon purchases of dairy products during the period from members. On an annual basis, an amount may be transferred from revenue reserves to the annual bonus fund in the Group's financial statements. Following the ratification of the amount to be transferred to the annual bonus fund and the calculation of each member's individual share, the annual bonus fund is then applied in the following year in issuing, as fully subscribed bonus shares and convertible redeemable loan stock in the ratio of one share per each ninety nine units of convertible redeemable loan stock. These bonus shares and convertible redeemable loan stock are then issued to the holders of the A and B ordinary shares.

Members are entitled, at any time after the expiry of five years from the date of any issue of the units of convertible redeemable loan stock, to apply to the Board so as to have the loan stock redeemed. The Board has discretion as to whether, and to what extent the loan stock shall be redeemed. However, in the case of all approved redemptions, they shall be paid in instalments of 50% in the first year and 10% in each of the following five years. When the redemption is ratified the value of the cash payment is reclassified as a liability.

U) Related Party Transactions

The Group discloses transactions with related parties which are not wholly owned within the Group. Where appropriate, transactions of a similar nature are aggregated unless, in the opinion of the Directors separate disclosure is necessary to understand the effect of the transactions on the Group financial statements.

V) Financial Instruments

(i) Financial Assets

Basic financial assets including trade and other receivables, cash and bank balances are initially recognised at transaction price, unless the transaction constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. All financial assets are recognised and derecognised on a trade date basis, where the purchase or sale of a financial asset is under a contract whose terms require delivery of the financial asset within the timeframe of the market concerned.

Such assets are subsequently carried at amortised cost using the effective interest method. At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the assets original effective interest rate. The impairment loss is recognised in the Income Statement. If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying value does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in the Income Statement.

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures are initially measured at fair value which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in the Income Statement except where the investment is in equity instruments that are not publicly traded and whose fair values cannot be measured reliably, in which case the investments are measured at cost less impairment.

Notes to the Financial Statements (continued)

1 Statement of Accounting Policies (continued)

V) Financial Instruments (continued)

(ii) Financial Liabilities

Basic financial liabilities, including trade and other payables and bank loans are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Debt instruments are subsequently carried at amortised cost using the effective interest method. The Group derecognises financial liabilities only when the Group's obligations are discharged, cancelled or expired.

(iii) Derivatives

Derivatives including forward foreign exchange contracts are not basic financial instruments. Derivatives are initially recognised at fair value on the date the derivative contract is entered into and are subsequently remeasured at their fair value. Changes in the fair value of derivatives are recognised in the Income Statement unless they are part of a hedging arrangement.

As part of its commodity risk management, the Group enters into forward commodity contracts. Changes in the fair value of such commodity contracts are recognised in the Income Statement unless they are part of a documented hedging arrangement. The effective portion of changes in the fair values of these commodity contracts that are designated and qualify as cash flow hedges are recognised in Other Comprehensive Income (OCI) and presented in the cash flow hedging reserve. The gain or loss relating to the ineffective portion is recognised immediately in the Income Statement. Amounts accumulated in equity are reclassified to the Income Statement in the periods when the hedged item affects profit or loss.

(iv) Hedging Arrangements

Derivative financial instruments are mainly used to manage exposures to foreign exchange/price risks. The Group designates certain derivatives as hedges of the variability in cash flow attributable to a particular risk associated with assets and/or liabilities or highly probable forecast transactions (cash flow hedges). The Group documents at the inception of the hedging 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 on reporting dates, of the effectiveness of the hedge in offsetting changes in cash flows of hedged items. The fair value of a hedging derivative asset is classified as a current asset due within one year or after one year based on the remaining maturity of the hedge. The fair value of a hedging derivative liability is classified as a creditor falling due within one year or after one year based on the remaining maturity of the hedge.

(v) Cash Flow Hedges

The effective portion of changes in the fair values of derivatives that are designated and qualify as cash flow hedges is recognised in Other Comprehensive Income (OCI) and presented in the cash flow hedging reserve. The gain or loss relating to the ineffective portion is recognised immediately in the Income Statement. Amounts accumulated in equity are reclassified to the Income Statement in the periods when the hedged item affects profit or loss. 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 OCI at that time is recognised in the Income Statement when the forecast transaction to which it relates occurs. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in OCI is immediately reclassified to the Income Statement.

Notes to the Financial Statements (continued)

1 Statement of Accounting Policies (continued)

V) Financial Instruments (continued)

(vi) Financial Assets and Financial Liabilities Shown Gross Except Where a Right of Offset Exists

The Group has cash pooling arrangements in place with certain banks that allow the offsetting of cash balances and overdrafts and in such cases the net balance of these is presented in the financial statements.

(vii) Net Investment Hedges

Where foreign currency borrowings provide a hedge against a net investment in a foreign operation, to the extent that the hedge is effective, foreign exchange differences are recognised in Other Comprehensive Income and presented within revenue reserves.

W) Use of Judgements and Estimates in Applying The Group's Accounting Policies

The preparation of financial statements in conformity with FRS 102 requires the use of significant judgements, estimates and assumptions. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. Actual results may differ from these estimates. 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. Significant judgements and estimates made in the preparation of these financial statements are set out below.

(i) Deferred Tax

Deferred tax assets and liabilities require management judgement in determining the amounts to be recognised. Significant judgement is used when assessing both the extent to which deferred tax assets should be recognised and the amount to be recognised, with consideration given to the timing and level of future taxable income in the relevant tax jurisdiction.

(ii) Retirement Benefit Obligations/Assets

The determination of the pension cost and defined benefit obligations/asset of the Group's defined benefit pension schemes depends on the selection of certain assumptions which include, inter alia, the discount rate, inflation rate, salary growth, and longevity, all of which are key judgements. Advice is sourced from independent actuaries in selecting suitable assumptions. The Group recognises an asset in relation to one of the Group's defined benefit plans as the Group has an unconditional right to a refund assuming the gradual settlement of the plan liabilities over time until all members have left the plan.

(iii) Assessment For Impairment - Intangible Assets/Tangible Assets

The Group tests intangible assets (including goodwill) and tangible assets for impairment whenever there is an indication that the intangible assets or tangible assets may be impaired. Goodwill has been allocated as appropriate to the relevant CGUs. These CGUs are the lowest level for which there are separately identifiable cash flows. This testing involves determining the CGU's recoverable amount and comparing this to the carrying amount of the CGU. Where the recoverable amount exceeds the carrying value of the CGU, the asset is not impaired, but where the carrying amount exceeds the recoverable amount, a provision for impairment is raised to reduce the carrying amount of the CGU to its recoverable amount. Estimates of recoverable amount are key judgemental estimates in the financial statements. A number of key assumptions have been made as a basis for the impairment tests. In each case, these key assumptions have been made by management reflecting past experience and are consistent with relevant external sources of information where available. Where recoverable amount is based on value in use the key assumptions used in determining the value in use are the forecasted cashflows, long-term growth rates and discount rates.

Notes to the Financial Statements (continued)

1 Statement of Accounting Policies (continued)

W) Use of Judgements and Estimates in Applying the Group's Accounting Policies (continued)

(iv) Cost of Inventory/Inventory Impairments/Provision for Onerous Contracts

In certain circumstances, the Group purchases inventory under arrangements in which the final purchase price has not been fully determined by the period end. In these circumstances the Group uses judgement to estimate the final purchase price using all available information including external benchmarks.

At the end of each reporting period, inventories are assessed for impairment by comparing the carrying value of the inventory to the selling prices less costs to sell of the inventory. Judgement is required in estimating the selling price of inventory. The Group uses all available information such as recent sales and quoted market prices if applicable. If the carrying value is greater than the estimated selling prices less costs to sell, the item is impaired and an impairment provision is raised to reduce the carrying value of inventory. Such impairment provisions are booked in cost of sales in the Income Statement and are netted against the carrying value of inventory in the Balance Sheet.

The Group enters into sales contracts which subsequently may become onerous. A sales contract becomes onerous when the sales price within the contract is not sufficient to cover the cost of completing the contract. The Group assesses at the end of each reporting period whether the sales prices within these sales contracts are sufficient to cover the cost of completing these contracts. Judgement can be required to estimate the cost of completing these contracts, in particular in estimating the purchase cost of inventory not on hand that is required to complete the obligation in the contract. The Group uses all available information to estimate the cost of purchasing the required inventory such as recent purchases and quoted market prices if applicable. If the sales prices in these contracts are not sufficient to cover the cost of completing these contracts, the Group raises an onerous contract provision, which is the difference between the sales price and the estimated cost of completing the contract. Such onerous provisions are booked within cost of sales in the Income Statement and are carried and disclosed in the Balance Sheet within Provision for Liabilities.

(v) Income Taxes

The Group is subject to income tax in numerous jurisdictions. Significant estimation is required in determining the worldwide provision for income taxes. There are many transactions during the ordinary course of business for which the ultimate tax determination is uncertain and the applicable tax legislation is open to differing interpretations. The Group takes external professional advice to help minimise this risk. It recognises liabilities for anticipated tax authority reviews based on estimates of whether additional taxes will be due, having regard to all information available on the tax matter. The Group engages with local tax experts to support the judgements made where there is significant uncertainty about the position taken.

(vi) Long Term Incentive Plan

The Group operates a Long Term Incentive Plan (LTIP), which provides for awards granted to a limited number of executives and senior management as nominated by the Chief Executive and approved by the Personnel and Remuneration Committee. The LTIP is measured both in terms of profitability, working capital performance and product prices returned to members over the vesting period. The value of awards granted is an estimate which is primarily derived from an adjusted Group profitability calculation adjusted to reflect product prices returned to members, members bonuses and some other financial metrics. The total amount expected to be paid out under the scheme, is expensed over the vesting period, which is three years.

At each balance sheet date the Group revises its estimate of the expected cost for both the actual out-turn and forecast out-turn as well as for the number of awards expected to vest, with the adjustment recognised in the Income Statement. Significant judgement is used in the estimation of the percentage of awards that will ultimately vest.

Notes to the Financial Statements (continued)

1 Statement of Accounting Policies (continued)

W) Use of Judgements and Estimates in Applying The Group's Accounting Policies (continued)

(vii) Business Combination

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.

(viii) Insurance Captive

The provision for outstanding claims represents provisions for known claims plus an estimate for claims incurred but not reported and for the related costs of settlement as well as an unexpired risk reserve. The provision for outstanding claims, which is based on actuarial calculations, is believed to be adequate to cover the ultimate cost of claims incurred to the balance sheet date, but are necessarily estimates and may be ultimately settled for a greater or lesser amount. The cost of claims incurred includes a provision for related direct and indirect claims handling expenses.

Significant delays are experienced in the notification and settlement of certain types of general insurance claims, particularly in respect of liability business, the ultimate cost of which may vary from the original assessment. Adjustments to the amounts of claim provisions established in prior financial years are reflected in the financial statements for the period in which the adjustments are made and disclosed separately, if material.

X) Amended Financial Reporting Standard 102

An amended version of Financial Reporting Standard 102 – "The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland" ("FRS 102") will apply to Ornuia for the first time in its 2027 Financial Statements. This amended FRS 102 makes changes to a number of areas including lease accounting, revenue recognition and fair value measurements. The Group is currently assessing the impact of this amended FRS 102.

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

	2025 €'000	2024 €'000
Ornuia Value Payment	69,737	72,812
Depreciation (note 8)	21,613	22,335
Amortisation of intangible assets (note 7)	13,222	12,588
Research and development expenditure	7,547	7,498
Operating lease expense	2,838	2,313
Impairment of trade receivables (credit)/charge	(1,160)	895
Exchange differences – (credit)/charge	(3,809)	674
Total auditors' remuneration	1,036	1,018
– Auditors' remuneration – audit fee	1,018	998
– Auditors' remuneration – non-audit services fee	18	20

Notes to the Financial Statements (continued)

3 Employees and remuneration

	2025 No.	2024 No.
Production	1,612	1,697
Selling and distribution	486	472
Administration	588	657
	2,686	2,826

The average monthly number of persons employed by the Group is analysed into the following categories*:

* Includes employees whose salary costs are capitalised (note 7).

	2025 €'000	2024 €'000
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The staff costs are comprised of:

Wages and salaries** (includes termination benefits of €1.9m (2024: €2.4m))	170,162	176,318
Social welfare costs	16,944	17,378
Pension costs	6,778	6,380
Staff costs included in operating profit after exceptional items	193,884	200,076
Net interest expense on defined benefit pension schemes	257	326
Total charged to Income Statement	194,141	200,402
Actuarial gain on defined benefit pension schemes (net of deferred taxation) credited to other comprehensive income	(4,448)	(2,072)
Total aggregate payroll costs expensed	189,693	198,330

** Includes Long Term Incentive Plan costs (note 26) but excludes €0.6m (2024: €4.0m) of capitalised salary costs (note 7).

Notes to the Financial Statements (continued)

4 Exceptional items

	2025 €'000	2024 €'000
Impairment of intangible & tangible assets & other costs (i)	(943)	(3,526)
Restructuring costs (ii)	(3,504)	(3,225)
Finalisation of costs relating to 2017 fire in Spain facility (iii)	(1,941)	–
Gains on sale of buildings and on legal claim settlement (iv)	4,856	–
Gain arising on sale of businesses (v)	–	132
	(1,532)	(6,619)

2025

- (i) Due to indications of impairment, the Group carried out an impairment review of certain intangible and tangible assets, by comparing the assets' recoverable amount to its carrying value and as a result an impairment of €0.94m was recognised (€0.58m in intangible assets and €0.36m in tangible assets). These impairments occurred as these specific assets were deemed to be end of life and of no further use.
- (ii) During the period the Group incurred restructuring costs (including redundancy and other costs) across a number of its operations.
- (iii) Finalisation of costs incurred by the Group as a result of the fire which occurred at the Group's Spanish production facility in 2017.
- (iv) Gains arising on the sale of two buildings which were production facilities which had previously ceased production. Also includes gain on settlement of a legal claim which is subject to a confidentiality agreement.

2024

- (i) Due to indications of impairment, the Group carried out an impairment review of certain intangible and tangible assets, by comparing the assets' recoverable amount to its carrying value and as a result an impairment of €3.0m was recognised (€0.5m in intangible assets and €2.5m in tangible assets) as well as other costs of €0.5m. These impairments occurred as a result of the challenging nature of the specific market which resulted in the recoverable amount of the assets being less than the carrying amount.
- (ii) During the period the Group incurred restructuring costs (including redundancy and other costs) across a number of its operations.
- (v) In February 2024, Ornu Nutrition Ingredients UK Limited sold its powder blending and manufacturing business in the UK to Allicio Nutrition Limited. In March 2024, the Group sold a 70.5% interest in CoreFX Ingredients LLC to P.O.D. Solutions Corp. These sales resulted in a gain of €0.1m.

Notes to the Financial Statements (continued)

5 Taxation on profit

	2025 €'000	2024 €'000
Analysis of taxation charge in the period		
Current tax		
Irish corporation tax on profit for the period	3,729	3,254
Adjustments in respect of previous periods	–	(92)
	3,729	3,162
Foreign tax		
Foreign corporation tax on profit for the period	5,712	5,733
Adjustments in respect of previous periods	(194)	(388)
	5,518	5,345
Total current tax	9,247	8,507
Deferred tax		
Origination and reversal of timing differences	7,277	(1,388)
Taxation	16,524	7,119
Tax expense/(income) included in Other Comprehensive Income	4,086	(1,412)

Notes to the Financial Statements (continued)

5 Taxation on profit (continued)

Reconciliation of effective tax rate

The total tax charge for the period is different from the standard rate of corporation tax in Ireland of 12.5%.

The differences are explained below.

	2025 €'000	2024 €'000
Profit before taxation	50,579	29,839
Profit at the standard rate of corporation tax in Ireland of 12.5%	6,322	3,730
Effects of:		
Foreign rates of tax different from Irish rates	5,102	2,689
Non utilisation of tax losses	5,579	625
Expenses/income not deductible/taxable (net)	522	529
Movement in other differences	(807)	26
Adjustments in respect of prior periods	(194)	(480)
Total taxation	16,524	7,119

There were no significant changes during 2025 in the tax rates applying to the Group's subsidiaries. The Group has not recognised deferred tax assets of €22.5m (2024: €16.6m) on the basis that there is insufficient evidence that these will be recoverable.

Pillar Two legislation came into effect for Ornuia for the accounting period ended 28 December 2024. Ornuia Co-operative Limited as the Ultimate Parent Entity for the Group is required to operate the Income Inclusion Rule in respect of all constituent entities in the Group, subject to the application of the Transitional CbCR safe harbour rules. Pillar Two has not had a material impact on the consolidated financial statements of Ornuia Co-operative Limited for the period ended 27 December 2025. The Group applies the exception to recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes, as provided in the amendments to FRS 102 issued in July 2023.

Notes to the Financial Statements (continued)

6 Annual bonus fund, redeemable loan stock and cash bonus

(a) Annual bonus fund and redeemable loan stock

The Board is empowered under the Rules of Ornuva Co-operative Limited ("The Rules") to set up an annual bonus fund and issue bonus shares and redeemable loan stock to the members based upon purchases of dairy products during the period from members. On an annual basis, an amount may be transferred from revenue reserves to the annual bonus fund in the Group's financial statements. The amount transferred to the annual bonus fund in 2025 is €Nil (2024: €Nil).

Following the ratification of the amount to be transferred to the annual bonus fund and the calculation of each member's individual share, the annual bonus fund is then applied in the following year in issuing, as fully subscribed bonus shares and convertible redeemable loan stock in the ratio of one share per each ninety nine units of convertible redeemable loan stock. These bonus shares and convertible redeemable loan stock are then issued to the holders of the A and B ordinary shares.

Members are entitled, at any time after the expiry of five years from the date of any issue of the units of convertible redeemable loan stock, to apply to the Board so as to have the loan stock redeemed. The Board has discretion as to whether, and to what extent the loan stock shall be redeemed. However, in the case of all approved redemptions they shall be paid in instalments of 50% in the first year and 10% in each of the following five years. When the redemption is ratified the value of the cash payment is reclassified as a liability.

During the period, the Board decided to redeem loan stock to the value of €2.5m (2024: €2.0m). Cash payments made in the year relating to previous years loan stock redeemed resulted in total cash payments of €2.2m in 2025 (2024: €2.2m).

The movement in the redeemable loan stock balance during the period was as follows:

	2025 €'000	2024 €'000
At beginning of the period	2,479	4,459
Redemption of loan stock	(2,479)	(1,980)
At end of the period	-	2,479

(b) Cash bonus payable

	2025 €'000	2024 €'000
Annual cash bonus (charged to operating profit)	21,500	18,500

Notes to the Financial Statements (continued)

7 Intangible assets

	Goodwill	Other	Software	Total
	2025	Intangibles*	2025	2025
	€'000	€'000	€'000	€'000
Cost				
At beginning of the period	85,309	27,785	71,977	185,071
Additions in the period**	537	–	1,606	2,143
Disposals	–	–	(648)	(648)
Translation adjustment	(5,653)	(129)	(1,578)	(7,360)
	80,193	27,656	71,357	179,206
Amortisation				
At beginning of the period	71,346	22,553	24,226	118,125
Amortised during the period	3,749	1,109	8,364	13,222
Impairment (note 4)	–	–	580	580
Disposals	–	–	(645)	(645)
Translation adjustment	(4,226)	(65)	(456)	(4,747)
	70,869	23,597	32,069	126,535
Net book amount				
At end of the period	9,324	4,059	39,288	52,671
At beginning of the period	13,963	5,232	47,751	66,946

* Other intangibles include supply contracts, customer relationships and trade names.

** Software additions include €0.6m (2024: €4.0m) of capitalised salary costs.

The average remaining amortisation period of the goodwill is 3 years. The average remaining amortisation period of other intangibles is 4 years.

Notes to the Financial Statements (continued)

8 Tangible assets

	Land and Buildings	Plant Equipment and Vehicles	Total
	2025	2025	2025
	€'000	€'000	€'000
Cost			
At beginning of the period	197,894	295,996	493,890
Additions in the period	4,140	20,094	24,234
Disposals in the period	(5,184)	(24,654)	(29,838)
Translation adjustment	(9,094)	(10,999)	(20,093)
	187,756	280,437	468,193
Depreciation			
At beginning of the period	61,569	157,346	218,915
Charge for the period	4,866	16,747	21,613
Impairment (note 4)	–	363	363
Disposals in the period	(1,621)	(24,526)	(26,147)
Translation adjustment	(3,273)	(6,772)	(10,045)
	61,541	143,158	204,699
Net book amount			
At end of the period	126,215	137,279	263,494
At beginning of the period	136,325	138,650	274,975

The buildings, plant, equipment and vehicles are insured at a value of €609.1m (2024: €579.1m).

Notes to the Financial Statements (continued)

9 Joint ventures and other investments

	2025 €'000	2024 €'000
Joint ventures		
At beginning of the period	744	516
Share of profit after tax during the period	137	271
Translation adjustment	(39)	(43)
At end of the period	842	744
	€'000	€'000
Loans to joint ventures		
At beginning of the period	221	288
Repayments in the period	(210)	–
Translation adjustment	(11)	(67)
At end of the period	–	221
	€'000	€'000
Other investments		
At beginning and at end of the period	845	845

10 Inventories

	2025 €'000	2024 €'000
Raw materials & consumables	90,630	93,882
Finished goods	809,170	807,452
	899,800	901,334

Inventory of €Nil has been pledged as security for liabilities (2024: €Nil). Impairments of inventories recognised within cost of sales in 2025 were €16.0m (2024: €7.5m).

Notes to the Financial Statements (continued)

11 Debtors

	2025 €'000	2024 €'000
Due within one year:		
Trade debtors (i) (iii)	374,858	396,236
Other debtors & prepayments	15,736	21,332
Derivative financial instruments	16,286	136
Corporation tax debtors	3,752	5,360
VAT	8,147	11,511
	418,779	434,575
Due after one year:		
Deferred taxation (ii)	8,115	18,161
Loan notes	692	2,968
Retirement benefit asset (note 23)	11,930	7,356
	20,737	28,485
	439,516	463,060
Deferred taxation arising from:		
Accelerated capital allowances	(9,683)	(10,574)
Derivative financial instruments	(796)	1,621
Retirement benefits	(1,336)	(733)
Tax losses carried forward	7,067	14,169
Research and development expenditure	176	3,211
Other timing differences	12,687	10,467
	8,115	18,161

(i) Trade debtors are stated net of a provision for impairment of €4.9m (2024: €6.0m).

(ii) Deferred tax assets are expected to substantially reverse in greater than one year.

(iii) The Group also manages credit risk of trade debtors through the use of a sale of debtor arrangement. Under the terms of these agreements the Group has transferred substantially all of the credit risks which are subject to this agreement, the Group retains a minor element of late payment risk. Accordingly, €200.0m (2024: €200.0m) of trade debtors have been derecognised at period-end.

Notes to the Financial Statements (continued)

12 Creditors: amounts falling due within one year

	2025 €'000	2024 €'000
Trade creditors*	304,135	390,921
Amount due under RID facility* (note 14)	238,853	205,793
Accruals*	123,181	170,781
Derivative financial instruments	7,502	23,353
Redeemable loan stock	822	993
Taxation creditors (note 13)	9,657	13,184
Other creditors	3,912	4,373
	688,062	809,398

* The majority of these creditors will unwind in the next six months, however new creditors will arise as the Group purchases product during the year.

13 Taxation creditors

	2025 €'000	2024 €'000
Corporation tax	4,452	6,839
PAYE	3,269	1,749
PRSI	737	2,290
VAT	1,199	2,306
	9,657	13,184

Notes to the Financial Statements (continued)

14 Borrowings

	2025 €'000	2024 €'000
Amounts falling due after one year	188,622	149,104

In December 2021, the Group entered a five year €200m Syndicated Revolving Credit Facility ("RCF") Agreement. In May 2024, the RCF Agreement was permanently increased to €300m until maturity in December 2026. In October 2025, the maturity date was extended to December 2028. All material subsidiaries of the Group are party to a cross guarantee for the obligations under the RCF Agreement which also contains a negative pledge over Group Assets. The Group is subject to certain financial covenants and other restrictions contained in the RCF Agreement.

Separately, in December 2021, a number of member suppliers to the Group entered into a five year Supply Chain Finance ("SCF") Agreement ("the RID") with a number of domestic and international Banks, led by Rabobank International, to sell receivables owed to them by the Group. In October 2025, the maturity date was extended to December 2028. Committed facilities under this agreement for 2025 were €331.5m (2024: €331.5m). Under this agreement, the Group acknowledges invoices on behalf of the member suppliers to enable them to receive early payment of those invoices. Upon acknowledgement of member invoices which have been sold to Rabobank, the Group's obligation to the member is extinguished and the Group thereafter assumes an obligation to pay the amount of member invoices sold of €238.9m (2024: €205.8m) to Rabobank.

15 Creditors: amounts falling due after one year

	2025 €'000	2024 €'000
Redeemable loan stock	1,584	1,168
Derivative financial instruments	–	1,409
Government grants	4,928	5,404
Deferred taxation (i)	6,693	5,464
Bank loans (note 14)	188,622	149,104
	201,827	162,549

(i) Deferred taxation arising from:

Accelerated capital allowances	9,514	8,027
Retirement benefits	(1,930)	(2,347)
Other timing differences	(891)	(216)
	6,693	5,464

Deferred tax liabilities are expected to substantially reverse in greater than one year.

Notes to the Financial Statements (continued)

16 Financial instruments

The Group has the following financial instruments at fair value through profit or loss or through other comprehensive income:

	2025 €'000	2024 €'000
Derivative financial assets		
Derivative financial instruments (i)	16,286	136
Derivative financial liabilities		
Derivative financial instruments (i)	7,502	24,762

(i) Derivative financial instruments

The Group enters into forward foreign currency contracts to mitigate the exchange rate risk for certain foreign currency debtors. At 27 December 2025, the contracts outstanding have an average maturity of 6 months (2024: 5 months). The forward foreign currency contracts are measured at fair value, which is determined using valuation techniques that utilise observable inputs. The key assumptions used in valuing the derivatives are the forward exchange rates for EUR:USD and EUR:GBP at the end of the financial period. The Group also enters into forward futures/swap commodity contracts to mitigate the commodity price risk on future forecast sales. If the derivatives are part of a hedging relationship the fair value of them are reflected in other comprehensive income. The fair value of the Group's financial instruments are listed in the above tables. During 2025, a hedging gain (net of taxation) of €6.9m (2024: loss of €21.6m) was recognised in Other Comprehensive Income. The Group's derivative financial instruments relate to its commitments to sell USD and GBP and receive a fixed euro amount, as well as relating to commodity contracts. In 2025 a charge of €Nil (2024: €Nil) was recognised in the Income Statement in relation to cash flow hedges which represented the excess of the fair value of the hedging instruments over the change in the fair value of the expected cash flows.

17 Provision for liabilities

	Onerous Sales Contracts (i) €'000	Long Term Incentive Plan Provision (ii) €'000	Insurance Provisions (iii) €'000	Total Provisions €'000
At beginning of the period	9,303	4,500	1,498	15,301
Provided during the period	9,879	710	995	11,584
Utilised during the period	(9,303)	(737)	(1,579)	(11,619)
At end of the period	9,879	4,473	914	15,266

- (i) The onerous sales contracts provision relates to contracted sales whose revenues do not cover the cost of completing the contract. This provision will be utilised within one year.
- (ii) See detail in note 26. This provision is expected to be utilised over 5 years.
- (iii) This represents a provision for claims incurred but not reported by the Group's captive insurance company. The majority of this provision will be utilised within one year.

Notes to the Financial Statements (continued)

18 Share capital and reserves

	2025 No. of Shares	2025 €'000	2024 No. of Shares	2024 €'000
Issued share capital				
"A" shares of €1 each	13,335	13	13,335	13
"B" shares of €1 each	3,429	4	3,429	4
"C" shares of €1 each	267	–	267	–
"D" shares of €1 each	130	–	130	–
Bonus shares of €1 each	1,715,107	1,715	1,715,107	1,715
Deferred ordinary shares of €1 each	17,916,961	17,917	17,916,961	17,917
		19,649		19,649

The number of issued and fully paid ordinary shares was as follows:

	2025 No. of shares '000	2024 No. of shares '000
At beginning and at end of the period	19,649	19,649

The shareholding of the Parent Society is subdivided into a number of classes of shares.

The main classes of shares are A, B, C and D shares as well as bonus and deferred shares of €1 each.

The holders of "A" and "B" shares may, subject to Board approval, be issued with bonus shares and convertible loan stock based on sales of product to the Parent's group. They are also entitled to attend and vote at General Meetings of the Society.

Bonus shares rank pari passu with "A" and "B" shares. The holders of "C" and "D" shares are not entitled to vote at General Meetings of the Society.

The holders of deferred shares do not have the right to attend or vote at the General Meetings of the Society.

A description of each classification of reserves within equity is below:

- > Revenue reserves have been created out of profit and represent the amount of profit not paid to shareholders in the form of dividends.
- > Share premium is a capital reserve that is created when shares are issued at a premium (more than their nominal value).
- > Cash flow hedging reserve represents the fair value of cash flow hedges net of taxation which have been deferred in equity.
- > Capital levy account represents the excess of capital levy receipts for which deferred shares have not been issued.
- > Annual bonus fund (note 6).
- > Redeemable loan stock (note 6).

Notes to the Financial Statements (continued)

19 Net cash (outflow)/inflow from operations

	2025 €'000	2024 €'000
Operating profit before exceptional items	66,820	57,725
Depreciation of tangible assets (note 8)	21,613	22,335
Amortisation of intangible assets (note 7)	13,222	12,588
Increase in inventories	(37,313)	(38,982)
(Increase)/decrease in debtors	(6,644)	31,642
(Decrease)/increase in creditors/provision for liabilities	(90,837)	38,664
Post retirement liabilities	(1,469)	(1,191)
Cash (used in)/generated from operations (before cash exceptional items)	(34,608)	122,781
Exceptional income/expenditure (net)	296	(1,840)
Cash (used in)/generated from operations (after cash exceptional items)	(34,312)	120,941

20 Analysis of net debt

	2025 €'000	2024 €'000
Analysis of net debt		
Cash and bank balances	25,562	62,966
Borrowings > 1 year (note 14)	(188,622)	(149,104)
Net debt	(163,060)	(86,138)

Reconciliation of net cash flow to movement in net debt

	2025 €'000	2024 €'000
Net (decrease)/increase in cash and cash equivalents in the period	(43,903)	30,726
(Increase)/decrease in borrowing > 1 year (note 15)	(39,518)	39,851
Change in net debt arising from cash flows	(83,421)	70,577
Foreign exchange gains/(losses)	6,499	(2,996)
Movement in net debt in the year	(76,922)	67,581
Opening net debt	(86,138)	(153,719)
Closing net debt	(163,060)	(86,138)

Notes to the Financial Statements (continued)

21 Restricted cash

	2025 €'000	2024 €'000
Restricted cash on deposit	8,917	8,175

Deposits of €8.9m (2024: €8.2m) were held at period end within the Group's captive insurance company and are restricted for use by the Group's insurance company.

22 Capital commitments

	2025 €'000	2024 €'000
Commitments for which contracts have been placed	2,765	8,774
Commitments approved but not contracted for	37,035	25,803

23 Retirement benefits

The Parent Society and certain subsidiaries operate and contribute to defined benefit and defined contribution schemes in addition to a number of internally funded arrangements.

The total Income Statement charge in respect of defined benefit schemes for the Group was a charge of €0.3m (2024: charge of €0.3m) of which €Nil (2024: €Nil) has been charged against operating profit before exceptional items and €0.3m (2024: €0.3m) has been charged within other finance costs.

Contributions to defined contribution pension schemes in the period were €6.8m (2024: €6.4m).

The trustees of the Parent Society scheme have obtained an actuarial valuation dated 1 January 2023 using the projected unit valuation method. The trustees of the Ornuu Foods UK Limited scheme have obtained an actuarial valuation dated 31 December 2024 using the projected unit valuation method. Under FRS 102, these valuations, and the most recent actuarial valuations of the other post retirement scheme, have been updated by independent qualified actuaries in order to assess the liabilities/assets of the schemes as at 27 December 2025.

The Irish scheme closed to future accrual in 2018. It has been agreed that the employer contributes €0.3m annually until 2033 to the Irish scheme. The main other scheme closed to future accrual in 2019 and it has been agreed that the employer will contribute €1.2m annually (increasing 3% annually commencing in 2027) until 2030 to this scheme.

Financial assumptions

The major assumptions used by the actuaries to calculate scheme liabilities are:

	Irish Scheme		Other Schemes	
	2025 %	2024 %	2025 %	2024 %
Inflation rate	2.00	2.00	2.60	2.90
Salary rate increases	2.00	3.00	3.10	3.40
Pension payment increases	2.00	2.00	2.60	2.80
Discount rate	4.20	3.50	5.50	5.45

Notes to the Financial Statements (continued)

23 Retirement benefits (continued)

Financial assumptions (continued)

In valuing the liabilities of the pension funds at 27 December 2025, mortality assumptions have been made as indicated below.

The assumptions relating to longevity underlying the pension liabilities at the balance sheet date are based on standard actuarial mortality tables and include an allowance for future improvements in longevity. The assumptions are equivalent to expecting a 65 year old to live for a number of years as follows:

	Irish Scheme 2025/2024		Other Schemes 2025/2024	
Current pensioner aged 65	24/24 years male	25/25 years female	21/21 years male	24/24 years female
Future retiree* upon reaching 65	26/26 years male	28/28 years female	22/22 years male	25/25 years female

The assumptions used by the actuary are chosen from a range of possible actuarial assumptions which, due to the timescale covered, may not necessarily be borne out in practice.

* Current age 40 years for the Irish scheme and current age 45 years for the other schemes.

	Irish Scheme		Other Schemes		Total	
	2025 €'000	2024 €'000	2025 €'000	2024 €'000	2025 €'000	2024 €'000
Equities	8,936	12,668	9,878	10,801	18,814	23,469
Bonds	57,644	52,095	11,818	4,997	69,462	57,092
Property	4,128	4,162	–	1,151	4,128	5,313
Other	6,194	12,544	4,528	10,145	10,722	22,689
	76,902	81,469	26,224	27,094	103,126	108,563
Actuarial value of liabilities	(64,972)	(74,113)	(33,690)	(36,858)	(98,662)	(110,971)
Net surplus/(deficit) in the schemes	11,930*	7,356*	(7,466)**	(9,764)**	4,464	(2,408)

The Company has provided a guarantee to the value of €10m (2024: €10m) to the trustees of one of the Group's defined benefit schemes. The scheme assets listed above do not include the value of this guarantee.

* Disclosed within retirement benefit asset (note 11).

** Disclosed within retirement benefit obligation.

	Irish Scheme		Other Schemes		Total	
	2025 €'000	2024 €'000	2025 €'000	2024 €'000	2025 €'000	2024 €'000
Net interest (income)/expense	(263)	(248)	520	574	257	326

Analysis of the amount charged to the Group Income Statement during the period:

Net interest (income)/expense	(263)	(248)	520	574	257	326
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Notes to the Financial Statements (continued)

23 Retirement benefits (continued)

	Irish Scheme 2025 €'000	Other Schemes 2025 €'000	Total 2025 €'000
Movement in benefit obligations during the period			
Benefit obligations at beginning of the period	74,113	36,858	110,971
Interest expense	2,516	1,863	4,379
Actuarial gain	(7,201)	(871)	(8,072)
Benefits paid from plan	(4,456)	(2,487)	(6,943)
Translation adjustment	–	(1,673)	(1,673)
Benefit obligations at end of the period	64,972	33,690	98,662
Movement in plan assets during the period			
Fair value of plan assets at beginning of the period	81,469	27,094	108,563
Interest income	2,779	1,343	4,122
Remeasurement (losses)/gains			
Return on plan assets excluding interest income	(3,223)	423	(2,800)
Employer's contributions	333	1,135	1,468
Benefits paid from plan	(4,456)	(2,487)	(6,943)
Translation adjustment	–	(1,284)	(1,284)
Fair value of plan assets at end of the period	76,902	26,224	103,126
Surplus/(deficit) in schemes	11,930	(7,466)	4,464
Actual return on plan assets	(444)	1,766	1,322

Notes to the Financial Statements (continued)

24 Financial commitments

A) Operating leases

At 27 December 2025, the Group had future minimum payments under non-cancellable operating leases as follows:

	2025 €'000	2024 €'000
Payments due:		
Not later than 1 year	2,347	2,267
Later than 1 year and not later than 5 years	5,332	6,481
Later than 5 years	6,189	7,182
	13,868	15,930

B) Bank guarantees

The Group had outstanding guarantees at the period end as follows:

	2025 €'000	2024 €'000
Bank guarantees	38,713	34,824

These guarantees are used to support the activities of Group companies.

C) Other financial commitments

The Group had the following outstanding forward currency/commodity contracts at the period end in respect of foreign exchange/price risk.

	2025 €'000	2024 €'000
Forward foreign currency/commodity contracts	664,073	628,862

D) Inventories

The Group had the following outstanding forward contracts with Rabobank at the period end in respect of the purchase of inventories.

	2025 €'000	2024 €'000
Forward contracts	154,200	121,776

Notes to the Financial Statements (continued)

25 Related party transactions

The principal related party relationships requiring disclosure in the consolidated financial statements of the Group pertain to transactions with members of the Parent Society entered into by subsidiaries of the Group.

Sales to members during the financial period ended 27 December 2025 amounted to €67.1m (2024: €60.3m) and purchases from members amounted to €1,860.4m (2024: €1,678.5m). Amounts receivable from and payable to members arising from the aforementioned sales and purchases transactions as at the balance sheet date are €25.3m (2024: €19.1m) and €145.2m (2024: €209.4m) respectively. There are other payable balances of €3.9m to members (2024: €4.4m).

Cash bonus payable to members (note 6) was €21.5m (2024: €18.5m).

In general, the transfer pricing policy implemented by the Group across its subsidiaries is market-based.

The outstanding balances included in receivables and payables as at the balance sheet date in respect of transactions with members are unsecured and settlement arises in cash. No guarantees have been either requested or provided in relation to related party receivables and payables.

Sales to non-wholly owned subsidiaries during the financial period ended 27 December 2025 amounted to €98.1m (2024: €93.3m) and purchases from non-wholly owned subsidiaries amounted to €569.7m (2024: €484.1m). Amounts receivable from and payable to non-wholly owned subsidiaries as at the balance sheet date are €208.9m (2024: €191.4m) and €111.1m (2024: €97.6m) respectively.

Sales to associates and joint ventures amounted to €13.5m (2024: €12.5m) and receivables from associates and joint ventures amounted to €5.3m (2024: €3.8m). Loan repayments received from joint ventures was €0.2m (2024: €Nil).

There were no transactions with Directors or key management during the period apart from the payment of remuneration as set out in the table below. There were no Director loans in existence during the period or outstanding at period end.

Notes to the Financial Statements (continued)

25 Related party transactions (continued)

Key management personnel

Key management personnel comprises the Board of Directors and the executive committee members who manage the business and affairs of the Group.

The remuneration of key management personnel charged to the 2025 Group Income Statement (but not necessarily paid in 2025) was as follows:

	2025	2024
	€'000	€'000
Total Non-Executive Directors fees (14 in 2025 & 14 in 2024)	746	746
Global Executive Remuneration, including Executive Directors (7 Executives in 2025 & 8 in 2024):		
Basic salary	2,581	2,918
Performance related bonus	1,306	645
LTIP – Paid during the year	238	665
Other benefits	408	524
Employers pension contribution	307	535
Employers PRSI	514	505
	5,354	5,792
LTIP – Adjustment to provision during the year*	385	(661)
Total fees and remuneration for key management personnel	6,485	5,877

* LTIP – Adjustment to provision during the year represents the adjustment to the LTIP provision and does not represent the amount paid in 2025. The total amount expected to be paid out under the LTIP scheme is expensed over the vesting period, which is three years, and vested awards are settled by way of cash payment to employees over the following three years. The adjustment to the LTIP provision in 2025 is calculated as one-third of the expected pay-out (based on a number of assumptions that may or may not eventuate) in respect of awards granted in 2023, 2024 and 2025 plus an adjustment for any impact on the provision at 28 December 2024 as a result of updated assumptions in 2025. Further details on the LTIP are included in Note 26.

The Personnel and Remuneration committee recommend the remuneration policy for key management personnel to the Board and oversee the implementation of the policy. The process includes assessment against comparable organisations, review of market trends, consideration of the structure of the policy and ensuring that remuneration arrangements are consistent with members' interests. The resources of Independent Professional Advisers were used in the review and assessment process.

Notes to the Financial Statements (continued)

26 Long term incentive plan

The Group operates a Long Term Incentive Plan (LTIP), the purpose of which is to align the interests of the participants and members in the successful implementation of strategy, to ensure that Ornu business pursues a sustainable long term strategy to promote its long term success combined with maximising product price returns to the members and to attract and retain talent of the highest calibre at Ornu.

The LTIP provides for awards to be granted to a limited number of executives and senior management as nominated by the Chief Executive and approved by the Personnel and Remuneration Committee. The LTIP is measured both in terms of profitability, working capital performance and product prices returned to members over the vesting period. The value of awards granted is an estimate, which is primarily derived from an adjusted Group profitability calculation adjusted to reflect product prices returned to members, member bonuses and some other financial metrics.

The total amount expected to be paid out under the scheme is expensed over the vesting period, which is three years, and vested awards are settled by way of cash payment to employees over the following three years. The Group has not established a separate fund out of which obligations will be settled directly. The Group has a charge of €0.7m (2024: charge of €2.4m) within employment costs in relation to the scheme, and the obligations recognised within liabilities at period end amounts to €4.5m (2024: €4.5m).

Notes to the Financial Statements (continued)

27 Significant subsidiary companies

The parent society is a Co-operative and is incorporated in Ireland with its registered address at Grattan House, Mount Street Lower, Dublin 2.

	Incorporated in and operating from	% Holding	Activities
Ornua Limited*	Ireland	100	Marketing dairy products
IDB Investment Limited*	Ireland	100	Group financing
Ornua Insurance Designated Activity Company	Ireland	100	Group captive insurance
IDB Treasury Limited	Ireland	100	Group factoring and financing
Kerrygold Butter Packing Ireland Limited	Ireland	93	Packaging of dairy products
Salsola Limited*	Ireland	100	Holding Company
Kerrygold Limited*	Ireland	100	Holding Company
Irish Dairy Board Limited	Ireland	100	Group financing
Al Wazeen Trading Company LLC*	Saudi Arabia	75	Manufacturing, marketing and distributing dairy products
Ornua Ingredientes Espana SL	Spain	100	Manufacturing, marketing and distributing dairy products
Ornua Foods UK Limited	United Kingdom	100	Manufacturing, marketing and distributing dairy products
Ornua Nutrition Ingredients UK Limited	United Kingdom	100	Marketing and distributing dairy products
The Irish Dairy Board UK Limited*	United Kingdom	100	Holding Company
Ornua Ingredients Europe (UK) Limited	United Kingdom	100	Manufacturing, marketing and distributing dairy products
Ornua Deutschland GmbH*	Germany	100	Manufacturing, marketing and distributing dairy products
Irish Dairy Board (Shenzhen) Co., Limited	China	100	Marketing and distributing dairy products
Ornua Foods North America Inc.	U.S.A.	100	Marketing dairy products
Ornua (Wisconsin) Ingredients LLC	U.S.A.	100	Manufacturing, marketing and distributing dairy products
Ornua (Minnesota) Ingredients LLC	U.S.A.	100	Manufacturing, marketing and distributing dairy products
IDB Holdings Inc.	U.S.A.	100	Holding Company
Ornua (Whitehall) Ingredients Inc.	U.S.A.	100	Manufacturing, marketing and distributing dairy products

* These subsidiary companies are directly owned by the Parent Society.

Notes to the Financial Statements (continued)

27 Significant subsidiary companies (continued)

In accordance with section 357 of the Companies Act 2014, Ornu Co-operative Limited of Grattan House, Mount Street Lower, Dublin 2 as the holding undertaking of the Irish subsidiary companies (defined below) incorporated in Ireland and for the purposes of the exemptions referred to in section 357 of the Companies Act 2014, hereby irrevocably guarantees in respect of the whole of the financial period of the Irish subsidiaries ending on 27 December 2025, all of the commitments entered into by the Irish subsidiaries, including amounts shown as liabilities (within the meaning of section 357 (1) (b) of the Companies Act 2014) in such Irish subsidiary's statutory financial statements for the period ended 27 December 2025.

The "Irish subsidiaries" covered by this guarantee are Kerrygold Limited, Kerrygold Irish Cream Liqueur Limited, Kerrygold Butter Packing Ireland Limited, Ornu Limited, Salsola Limited, An Bord Bainne (Management) Limited, IDB Treasury Limited, IDB Investment Limited, Irish Dairy Board Limited, IDB Premier Limited, An Bord Bainne (Services) Limited and An Bord Bainne (Exports) Limited.

28 Post balance sheet events

There have been no significant events since the period end which require disclosure in the financial statements.

29 Approval of financial statements

The financial statements were approved by the Board of Directors on 31 March 2026.

Board of Directors & Executive+

Board of Directors*

Kevin Toland Chair	Donal Buggy Tom Cunniffe Dominic Cronin Denis Drennan Dermot Farrell	Conor Galvin Diarmuid Lally Edmund Lynch Pat McCormack Martin McElearney	Anne McFarland Anne O'Leary Michael O'Shea Joe O'Sullivan
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Executive*

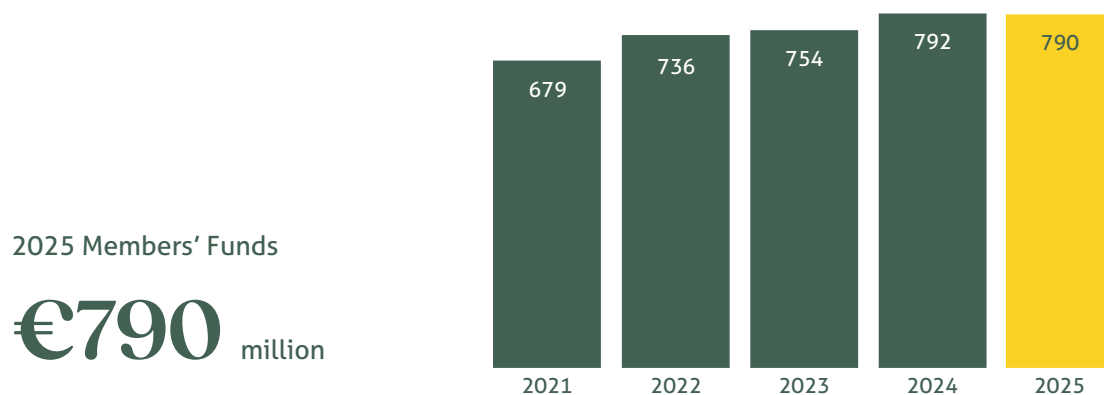
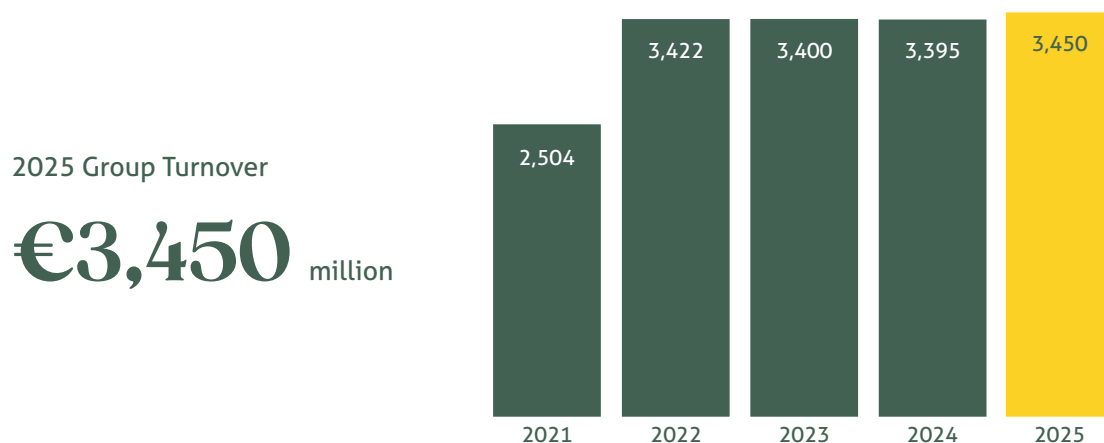
Conor Galvin Chief Executive	Donal Buggy Chief Financial Officer	Jason Musk Chief Operations Officer	Majella Darcy Chief People Officer
Cesar França Chief Commercial Officer	Maurice Hennessy Chief Technology Officer	John McRedmond Chief Risk & Compliance Officer	

Company Secretary*

John McRedmond

*As at 27 December 2025

Group Five Year Review



	2021	2022	2023	2024	2025
	€'000	€'000	€'000	€'000	€'000

(a) Historical values

Turnover	2,504,141	3,422,373	3,399,851	3,394,591	3,450,311
EBITDA	99,369	84,577	75,302	92,648	101,655
Operating profit	75,684	54,697	42,267	57,725	66,820
Profit before taxation	73,382	38,315	41,453	29,839	50,579
Net debt/(cash)	6,991	296,313	153,719	86,138	163,060
Members' funds	679,221	736,411	753,940	792,352	789,815

(b) Financial ratios

EBITDA as % of turnover	4.0%	2.5%	2.2%	2.7%	2.9%
Operating profit as % of turnover	3.0%	1.6%	1.2%	1.7%	1.9%
Leverage (Net debt/(cash)/EBITDA) (times)	0.1x	3.5x	2.0x	0.9x	1.6x
Interest Cover (EBITDA/Interest Payable) (times)	21.5x	6.6x	2.3x	4.4x	7.0x

Irish Product Utilisation Overview

Total Irish Milk Supply (million litres)

	2025	2024
January	163	149
February	328	352
March	822	757
April	1,075	952
May	1,183	1,017
June	1,081	1,031
July	1,005	972
August	945	887
September	773	768
October	706	673
November	496	512
December	260	268
	8,837	8,338

Source: CSO

Total Irish Product output (tonnes)

	2025 '000	2024 '000
Butter	286	268
Cheese	280*	271
SMP	168	139

Source: Ornuia

*Estimate

Notes



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Ornua's commitment to environmental sustainability is reflected in this Annual Report. This report is printed in Ireland using environmental print technology which minimises the impact of printing on the environment. This report is printed on FSC paper and board, which is chlorine free and sustainably sourced from European managed forests.

