FARMER BUSINESS DEVELOPMENTS PLC

ANNUAL REPORT

2022

CONTENTS

CHAIRMAN'S STATEMENT

I am pleased to bring you the Annual Report of Farmer Business Developments plc for 2022. Before I proceed to the results, I wish to pay tribute to Padraig Walshe.

TRIBUTE TO PADRAIG WALSHE

The sudden and untimely passing of our esteemed Chairman and friend, Padraig Walshe, on 1 February 2023 caused great shock and sadness in Farmer Business Developments plc and throughout the farming community. He will be deeply missed.

Padraig gave outstanding service and leadership to our Company as a Director from 2006 and then as Chairman from 2010 when he succeeded Paddy O'Keeffe on his retirement. He was steeped in the NFA/IFA tradition of activism and community involvement outside the farm gate and his father, Paddy, had canvassed Laois farmers door-to-door collecting £50 to set up FBD Insurance in the late 1960s.

Padraig played a huge role in the growth, development and diversification of our business in the interests of our farmer shareholders in his 17 years of service. He was a strong advocate of the initial 50:50 joint venture and then the 100% acquisition of FBD Hotels & Resorts, which has proved so successful. He represented our interests on the board of Bulberry Properties, which owns development lands at the new Berlin airport, and oversaw our acquisition of control at Bulberry by increasing our shareholding to 61%.

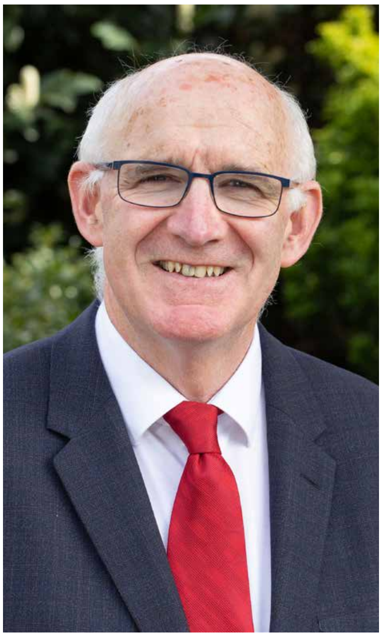
As a director of FBD Holdings plc, Padraig always kept a strong focus on FBD's farmer customers. He was a passionate advocate of maintaining farmer ownership and influence in FBD and was proud of the critical role this Company played in the successful 5% Loan Note issue which helped FBD to buy out the Fairfax interest in 2018, thus avoiding any dilution of our stake.

As his home outside Durrow, County Laois, Padraig was an outstanding farmer and a pioneer in efficient grassland management. With the support of his wife, Ella, and their family, he combined this with a lifelong commitment to the advancement of Irish farmers where over the past 40 years he represented farmers at the highest level in Ireland and Europe, as President of Macra na Feirme, President of the Irish Farmers' Association and President of the European farmers' organisation, COPA.

In recognition of his contribution to the farming community at so many levels, your Board has decided that this Company will establish an initiative to honour Padraig's legacy, the details of which will be announced in due course.

NEW CHAIRMAN

It is a great honour for me to have been elected Chairman of Farmer Business Developments plc. I want to build on the progress we have made under Padraig and focus on continuing to deliver superior returns to our shareholders.



RESULTS

I am pleased to report to you that Farmer Business Developments plc ("the Group") performed very strongly in 2022 recording a Group profit after tax of €17.93m up from €9.89m in the prior year. Our results benefitted particularly from the post Covid resumption of dividend payments by FBD Holdings plc and an excellent performance by FBD Hotels & Resorts.

To assist shareholders in understanding our results, we have produced a Divisional Summary Statement below, which separates the results for the Group, and we explain the main elements before commenting on each division in more detail later.

Divisional Summary Statement	**2022**	**2021**
	€000s	**€000s**
FBD Hotels & Resorts EBITDA	**18,748**	13,128
Bulberry Properties EBITDA	**(956)**	59
Farmer Business Developments Investment EBITDA	**(197)**	2,971
Integration Costs (Killashee Hotel)	**(637)**	-
Depreciation	**(4,927)**	(4,019)
Reversal of impairment of hotel assets	**985**	-
Profit Before Interest and Tax	**13,016**	12,139
Dividend income	**8,715**	-
Interest Income	**1,068**	1,058
Interest Expense	**(2,375)**	(1,558)
Taxation	**(2,497)**	(1,749)
Profit after taxation	**17,927**	9,890
Shareholders' funds attributable to the owners	**272,499**	231,068

The Summary Statement shows the exceptional recovery in 2022 of FBD Hotels & Resorts business after the lifting of Covid restrictions, recording a profit of €18.75m, compared to a profit of €13.13m in 2021.

The Berlin vehicle, Bulberry Properties, in which we have a 61% stake, did not transact any land deals during 2022 and made a loss of €0.96m in the year.

On investments, there was a €0.2m net mark-down recorded in 2022 after a mark-up of €2.97m in 2021.

On the income side, we have the aforementioned resumption of dividend income from FBD Holdings plc at €8.72m.

CHAIRMAN'S STATEMENT *continued*

Interest income of €1.07m mainly relates to the FBD Holdings Loan Note 5% coupon.

The interest expense is up by €0.8m to €2.38m in 2022 reflecting both the higher debt levels in the Group following the acquisition of the Killashee Hotel and the increase in the Euribor interest rate in the second half of 2022.

This leaves our Group profit before taxation at a healthy €20.42m for 2022, a 9% return on 2021 Shareholders' funds.

Our Balance Sheet shows the value attributable to the shareholders was €272.5m at the end of 2022, up €41.4m (18%) for the year. This is after returning circa €8.2m to shareholders by way of €3.8m in dividends to ordinary and preference shareholders and €4.4m through the voluntary share buy-back.

REVIEW OF INVESTMENTS

A) FBD HOLDINGS PLC

FBD Holdings plc produced another solid set of results for 2022, reporting a profit before tax of €73.7m supported by a strong underwriting profit of €85.7m.

The performance of the operating business was positive in a highly competitive market with gross written premium up 3.4%, customer retention rates up 1.5% and a solvency capital ratio of 226% providing a substantial capital buffer. The net asset value per share decreased from €13.38 at the end of 2021 to €11.88 at the end of 2022, impacted by the €1 dividend payment and losses on investments in a very difficult year for risk assets.

With a robust capital position and continued profitability, FBD Holdings plc announced a proposed dividend payment of €1 per share for the 2022 financial year and the intention to return further capital in the short and medium term.

The FBD Holdings plc share price closed the year at €11.05 per share, up 50% from €7.34 on the previous year, resulting in a €31.65m increase in the book value of our 23.97% stake to €96.89m. Including the €21m bond investment our overall investment in FBD Holdings plc is €118m or 43% of our shareholder funds.

FBD Insurance expects to receive a reasoned ruling shortly in the business interruption case which they anticipate will assist in the settlement of all outstanding claims.

The strategy of FBD Insurance is to focus on its strengths to deliver profitable growth, strengthen its relationships with its core farm and business customer segments and maintain underwriting discipline.

Our policy is to maintain our stake in FBD Holdings plc as a long-term investment, with the expectation also of dividend income.

FBD INSURANCE DISCOUNT

I take this opportunity to remind our shareholders, who hold or acquire at least 10,000 ordinary shares in our Company, that their investment is recognised and rewarded through a discount of 10% on their general insurance premiums with FBD Insurance. FBD has a proven track record of delivering a superior product and service to its core farming customers.

B) FBD HOTELS & RESORTS ("FBDH&R")

In last year's Annual Report, we described the outlook for FBDH&R in 2022 as positive, although some adverse factors in the global environment would put a drag on growth and demand. Against this backdrop, I am pleased to report record results for 2022 with EBITDA of €18.75m, with Leisure contributing €15.59m and Property €3.16m. This compares to EBITDA of €13.13m in 2021 and €13.7m pre Covid in 2019. Excluding our Killashee Hotel acquisition, our EBITDA on a like-for-like basis for 2022 increased by 25% over 2019. This is a tremendous business performance and I want to acknowledge the contributions of the leadership team, management and staff of FBDH&R in delivering these results.

Overall Leisure revenue for 2022 was €93m compared to €39m in 2021 and €64m in 2019. Excluding Killashee revenues of €12.5m, Ireland leisure revenue of €42.5m was up 45% on 2019 revenue, with Spain leisure revenue of €38m up 10% on 2019.

On Property, our partnership with developer Taylor Wimpey at La Cala Resort had another record year with the sale of 73 built units, while we sold five villa plots. The €10.7m cash generated from sales closings at La Cala has been vital to FBDH&R's strong cash/liquidity position. I am very pleased to report that we have recently contracted for a second development with Taylor Wimpey for the majority of our remaining residential land at La Cala. This deal further underpins the future performance of La Cala.

FBDH&R took ownership of Killashee Hotel outside Naas for €25m on 1 April 2022, and we have made additional investments of €3.6m in the resort, inclusive of integration costs. We are pleased with the early progress of this asset under our management, which added circa 11% to FBDH&R leisure earnings in its first 9 months under our ownership.

The positive performance of FBDH&R has enabled it to resume dividend payments to its parent, Farmer Business Developments plc, with €2.75m paid in June 2022 and a further €3.5m to be paid in June 2023. Maximising dividend return to the parent company is the key FBDH&R priority.

The outlook for our business in 2023 remains positive, notwithstanding adverse factors in the global environment. Forward bookings are strong and business continues to grow, with Leisure revenues on course to hit €100m in 2023. While energy costs appear to have stabilised at higher levels, the uncertainties around the war in Ukraine remain, and rising interest rates and inflation are significant challenges. Our businesses are closely focused on controlling cost pressures wherever we can, especially in the areas of labour, energy and food. With a strong balance sheet and liquidity, FBDH&R is well positioned to meet the challenges, maximise opportunities and deliver strong returns to our shareholder.

C) BULBERRY PROPERTIES LIMITED (BERLIN)

Our third largest investment is our 61% stake in Bulberry Properties which holds a prime plot of 33,067 sqm (3.3ha) of development land at Schönefeld, close to Berlin's new Willy Brandt Airport, which is now the only airport serving the German capital. This land is of interest to developers because of its proximity to the new airport and excellent transport links to the city.

While passenger numbers at the new airport doubled from 9.9m in 2021 to 19.85m in 2022 and show further growth in early 2023, the property market in Berlin has continued to stagnate due to unease over the war in Ukraine and associated energy cost increases/supply issues, general inflation and interest rate rises, and uncertainty over post Covid office requirements. Bulberry therefore continues to hold our prime plot and keep a close eye on the market to ensure that we realise its full value when we exit this investment.

At 31 December 2022, the Group carried its investment in Bulberry at €25.7m, which represents 9% of shareholders' funds. The remaining development land is carried in our consolidated accounts at circa €13m and we remain confident that we will achieve a substantial premium on that carrying value in due course.

D) OTHER INVESTMENTS

Our remaining Balance Sheet consists of a portfolio of smaller investments totalling €24.4m, net cash of €0.3m and other net assets of €1m. The investments include international equities, private equity funds and stakes in private companies, together with an Irish venture capital fund. In 2022, we materialised a gain of €0.15m on the 2021 year-end valuations.

DIVIDEND

As a result of the strong performance in 2022, the Directors are pleased to recommend a dividend of 9 cents per ordinary share for the year 2022. The record date for dividend purposes is 19 May 2023 and, subject to approval at the AGM on 9 June 2023, the dividend will be paid on 27 June 2023. Your Board is committed to a sustainable dividend policy of using available resources to benefit shareholders.

INITIATIVES TO IMPROVE LIQUIDITY FOR SHAREHOLDERS

A) PROPOSED VOLUNTARY SHARE BUY-BACK

Last year's voluntary share buy-back scheme proved very popular with a number shareholders who wanted to cash-in their investment and was significantly oversubscribed. Your Board responded by increasing the funding of the scheme to €4.4m, which allowed 2.88m shares or 75% of those offered to be bought back and cancelled.

Following the success of last year's scheme, the Board is proposing to give shareholders the option of participating in another buy-back scheme this summer. The buy-back price would be €1.91 per share, which is 25% higher than last year's price of €1.53. The buy-back price formula is unchanged and represents 35% of the balance sheet value attributable to shareholders in our latest annual results less the amount proposed in dividend payments to shareholders. The higher buy-back price therefore reflects the increase in the value of our balance sheet at end 2022. Once again, the Board intends to cancel all shares purchased.

CHAIRMAN'S STATEMENT *continued*

The buy-back would have advantages for all shareholders allowing those who wish to sell to realise their investment, while those who stay invested will see the value of their holdings increase.

Subject to the approval of a special resolution by shareholders at the Annual General Meeting on 9 June 2023 to facilitate the buy-back of shares:

- the Company will commit €3m to a voluntary buy-back scheme at a buy-back price of €1.91, which is sufficient to facilitate the purchase of 1,570,680 shares;
- in the event of an oversubscription above this amount, preference will be given to the first 10,369 shares offered by each shareholder (ie the number of shares held today by a typical original investor who invested £50 in FBD in the late 1960s) and applications will be scaled back proportionately;
- the Company will write to all shareholders on 19 June 2023 giving them the option of applying for the buy-back; applications will close on 21 July 2023 and following verification and any scale-back of applications, applicants will receive payment for shares sold on 18 August 2023.
- In addition to the above, in the period from the closing of the summer 2023 scheme until the 2024 AGM the Board will be authorised to exercise its absolute discretion to approve additional buy-backs up to a total of 150,000 shares at the same buy-back price.

B) PROPOSED SHARE SALE

In last year's annual report, the Board indicated our desire to launch an in-house share trading service. Unfortunately, this proved impossible due to regulatory restrictions. The Board is therefore pursuing an alternative approach to give buyers the opportunity to purchase shares from the Company from time to time.

In response to enquiries from shareholders who wish to increase their shareholding and from potential new farmer investors who want to buy shares, the Board is proposing to make treasury shares available for reissue at a price of €1.91 per share, which is the same as the buy-back price. The Company currently holds 2,877,772 ordinary shares in treasury.

Subject to the approval of a special resolution by shareholders at the Annual General Meeting on 9 June 2023 to facilitate the sale of treasury shares:

- the Company will write to all shareholders on 21 August 2023 inviting applications to purchase treasury shares at a price of €1.91 per share; applications will close on 22 September 2023;
- applicants may subscribe to buy any number of shares, subject to a minimum application of 3,000 shares and a maximum of 50,000 shares per applicant;
- applications will be accepted from existing shareholders, approved new farmer investors and Directors; (Note: to be approved as a new farmer investor, an applicant must be both a farming customer of FBD Insurance plc and a member of IFA for a minimum of three years in each case at the time of application.)
- if oversubscribed, preference will be given to the first 3,000 shares subscribed per applicant and applications will then be scaled back proportionately;
- the Board will review the operation of the share sale and where treasury shares remain available may accept further applications to purchase treasury shares in the period up to the 2024 AGM.

The Board's objective in the proposed voluntary share buy-back and share sale initiatives is to improve liquidity in our shares and achieve a sustainable situation where those shareholders who wish to do so can realise their investment at a reasonable price while others can build their investment. We are prepared to adjust our approach and intervene again as necessary to achieve this objective.

In the event of abnormal financial or other circumstances, the Board would reserve the right to review this approach and to act in the best interests of the Company.

DIVERSITY

The Board is committed to improving diversity at Board level in particular in regard to female representation. It is widely recognised that a more diverse Board leadership delivers benefits for company performance through diversity of thinking and perspectives, and increased understanding of and responsiveness to customer and shareholder requirements.

As an initial step, we are proposing to amend the Company's constitution to introduce a new requirement that at least one of the four Directors appointed by our co-operative shareholders must be a female Director. Subject to the approval of a special resolution by shareholders at the Annual General Meeting on 9 June 2023, we would expect a female Director to be appointed by the co-operatives this September.

SHARE REGISTRARS

Link Registrars Limited have administrative responsibility for share dividend payments, updating shareholder records and for the registration and certification of share transfers arising from the settlement of estates and private transactions. Link deal with shareholder queries in writing, by telephone and on email. They may be contacted at 01-5530050, enquiries@linkgroup.ie and at Link Registrars Limited, 149 The Capel Building, Mary's Abbey, Dublin 7, D07 DP79.

CONCLUSION

Our Company has demonstrated its ability to withstand the extraordinary challenges of the past few years and to emerge stronger than ever with excellent Group results for 2022.

FBDH&R is now trading above pre-pandemic levels in both Spain and Ireland and is clearly focussed on maximising business opportunities and growing shareholder value, as the acquisition of Killashee Hotel demonstrates. Strong property sales at La Cala were critical to our cash flow during the last two years and the property outlook remains positive. FBD Holdings plc produced a solid set of results in 2022 growing premium income while maintaining underwriting discipline in a very competitive market. We are biding our time with our Berlin investment to ensure we maximise its value at exit.

We have a strong balance sheet with modest debt levels and have confidence that our businesses and investments will continue to deliver superior returns to our loyal shareholders.

Thank you for your support.

Patrick Murphy

Pat Murphy
Chairman

02 May 2023

BOARD OF DIRECTORS AND OTHER INFORMATION

BOARD OF DIRECTORS

Appointed by Shareholders
Padraig Walshe (who sadly passed away on 1 February 2023)
Pat Murphy (Chairman)
James Kane (Vice Chairman)
Jeremiah Bergin
Barry Donnelly
Michael Kennedy
T. J. Maher

Appointed by Co-ops
John Joe Kelleher
Edmund Lynch
David Rice

Appointed by IFA
Eddie Downey
Joe Healy

SECRETARY AND REGISTERED OFFICE

Bryan Barry,
Farmer Business Developments plc,
Irish Farm Centre,
Bluebell,
Dublin 12.
Phone: 353.1.426 0336
Email: bryanbarry@FBDevelopments.ie

COMPANY REGISTRATION NUMBER

122382

COMPANY WEBSITE

www.FarmerBusinessDevelopments.ie

AUDITORS

Deloitte Ireland LLP,
Chartered Accountants and Statutory Audit Firm,
Deloitte & Touche House,
Earlsfort Terrace,
Dublin 2.

SHARE REGISTRAR

Link Registrars Limited,
149 The Capel Building,
Mary's Abbey,
Dublin 7,
D07 DP79.
Phone: 353.1.553 0050
Email: enquiries@linkgroup.ie

BANKERS

Allied Irish Banks,
Lower Baggot St.,
Dublin 2.

SOLICITORS

Arthur Cox,
Ten Earlsfort Terrace,
Dublin 2.

REPORT OF THE DIRECTORS

The Directors present their Annual Report and audited Financial Statements for the year ended 31 December 2022.

PRINCIPAL ACTIVITY, BUSINESS REVIEW AND PROSPECTS

Farmer Business Developments plc (the Group) is an investment holding company. FBD Hotels & Resorts ("FBDH&R") is one of the Group's largest investments. The activities of FBDH&R consist of hotel operations in Ireland and Spain and investment in properties associated with these activities. Farmer Business Developments plc's other investments are 23.97% (2021: 24.2%) of the ordinary share capital of FBD Holdings plc and a €21m loan note in that company, a 61% investment in the Bulberry Group and a portfolio of smaller investments and cash deposits. FBD Holdings plc is an investment holding company. The principal activity of FBD Holdings plc's major subsidiary, FBD Insurance plc, is looking after the insurance needs of farmers, private individuals and business owners. Bulberry Group's principal activity is the ownership and development of lands adjacent to the new Berlin airport.

The 2022 results for Farmer Business Developments plc reflect a profit before taxation of €20.42m (2021: €11.64m). After a tax charge of €2.49m (2021: €1.75m), the Group earned a profit after taxation of €17.93m (2021: €9.89m).

The Consolidated Balance Sheet had Net Assets of €297.04m at 31 December 2022, up from €255.68m the previous year.

These numbers are considered to be the key performance indicators of the Group.

The Group declared and paid an ordinary dividend of 7c in 2022 (2021: 10c). Preference dividends paid in 2022 were €0.15m (2021: €0.15m). The Group also completed a share buy-back scheme, purchasing 2,879,593 ordinary shares at a price of €1.53 each, giving a total cost of €4.4m for this scheme. Retained profit for the year was €17.97m (2021: €9.85m).

RESULTS

	2022	2021
	€000s	€000s
Profit before taxation	**20,424**	11,639
Taxation	**(2,497)**	(1,749)
Profit after taxation	**17,927**	9,890
Non-controlling interests	**39**	(42)
Dividend paid on 11% and 14% preference shares	**(151)**	(151)
Dividend paid on ordinary shares	**(3,631)**	(5,187)
Share buy-back	**(4,032)**	-
Movement on Revenue Reserve	**10,152**	4,510
Net Assets	**297,038**	255,678

The primary risk faced by the Group, in common with all companies operating in the wider economy is the uncertainty surrounding the impact of the current conflict in Ukraine and increasing costs, in particular rising labour and food costs. The directors are of the opinion that the Group is well positioned to manage these risks.

The other major risks and uncertainties facing the Group arise from its exposure to interest rate risk, market risk, foreign currency risk and credit risk through its investments, which are explained in note 29. Within the investment portfolio, the principal individual risk is due to the Group's significant investment in FBD Holdings plc, which makes up 43% of shareholder funds. In 2022, FBD Holdings plc produced strong financial results with a profit after taxation of €64.45m.

REPORT OF THE DIRECTORS *continued*

DIRECTORS

The names of the current Directors are listed on page 8.

At the Annual General Meeting on 15 June 2022, Mr Jer Bergin and Mr TJ Maher retired as Directors appointed by Shareholders and were re-elected.

On 1 February 2023, the death occurred of our Chairman, Mr Padraig Walshe, who was a Director appointed by Shareholders. On 25 April 2023, his successor as Chairman, Mr Pat Murphy, resigned as a Director appointed by member Co-operatives and was appointed by the Board to fill the vacancy.

At the forthcoming AGM on 9 June 2023, Mr Pat Murphy and Mr Michael Kennedy will retire as Directors appointed by Shareholders and the Directors are recommending that they be re-elected.

DIRECTORS' AND SECRETARY'S INTERESTS

The beneficial interests of the Directors and Secretary of the Company and their spouses, civil partners and minor children in the share capital of the Company, at 31 December 2022 and 1 January 2022 were as follows:

	Number of Ordinary Shares of €0.13 each		**Number of 14% Non-Cumulative Preference Shares of €1.27 each**		**Number of 11% Non-Cumulative Preference Shares of €0.13 each**	
Directors:	**31/12/22**	01/01/22	**31/12/22**	01/01/22	**31/12/22**	01/01/22
Jeremiah Bergin	**10,000**	10,000	**-**	-	**-**	-
Barry Donnelly	**11,110**	11,110	**-**	-	**-**	-
Eddie Downey	**25,736**	25,736	**100**	100	**-**	-
Joe Healy	**1,000**	1,000	**-**	-	**-**	-
James Kane	**24,921**	24,921	**-**	-	**-**	-
John Joe Kelleher	**1,067**	1,067	**-**	-	**-**	-
Michael Kennedy	**30,549**	30,549	**100**	100	**3,000**	3,000
Edmund Lynch	**-**	-	**-**	-	**-**	-
T.J. Maher	**500**	500	**-**	-	**-**	-
Pat Murphy	**5,185**	5,185	**-**	-	-	-
David Rice	**5,400**	5,400	**-**	-	-	-
Padraig Walshe	**10,369**	10,369	**100**	100	-	-
Secretary						
Bryan Barry	**16,000**	16,000	**-**	-	-	-

DISCLOSURE OF INFORMATION TO AUDITORS

In the case of each of the persons who are Directors at the time the Directors' Report and Financial Statements are approved:

a) So far as the Director is aware, there is no relevant audit information of which the Company's statutory auditors are unaware; and

b) Each Director has taken all steps that ought to have been taken by the Director in order to make himself/herself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of Section 330 of the Companies Act 2014.

DIRECTORS' COMPLIANCE STATEMENT

As required by Section 225 of the Companies Act 2014, the Directors acknowledge that the Directors are responsible for securing the Company's compliance with its relevant obligations; and the Directors confirm that the Directors have implemented the following three procedures in order to comply with the Directors' obligations:

(a) the drawing up of a "compliance policy statement" setting out the Company's policies that, in the Directors' opinion, are appropriate to the Company, and respecting compliance by the Company with its relevant obligations;

(b) the putting in place of appropriate arrangements or structures that are, in the Directors' opinion, designed to secure material compliance with the Company's relevant obligations; and

(c) reviewing of any arrangements or structures that are in place or being put in place.

AUDIT COMMITTEE

In accordance with Section 167 of the Companies Act 2014, the Company established an audit committee. The audit committee's responsibilities include monitoring:

(a) the Company's financial reporting process;

(b) the effectiveness of the Company's systems of internal control and risk management;

(c) the Company's statutory audit and statutory financial statements; and

(d) reviewing the independence of the statutory auditor.

DIRECTORS' RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The Directors are responsible for preparing the Directors' Report and the Financial Statements in accordance with the Companies Act 2014 and the applicable regulations.

Irish company law requires the Directors to prepare Financial Statements for each financial year. Under the law, the Directors have elected to prepare the Financial Statements in accordance with FRS 102 the Financial Reporting Standard applicable in the UK and Republic of Ireland ("relevant financial reporting framework"). Under company law, the Directors must not approve the Financial Statements unless they are satisfied that they give a true and fair view of the assets, liabilities and financial position of the Company as at the financial year end date and of the profit or loss of the Company for the financial year and otherwise comply with the Companies Act 2014.

In preparing those Financial Statements, the Directors are required to:

- select suitable accounting policies for the Parent Company and the Group Financial Statements and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether the Financial Statements have been prepared in accordance with the applicable accounting standards, identify those standards, and note the effect and the reasons for any material departure from those standards; and
- prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for ensuring that the Company keeps or causes to be kept adequate accounting records which correctly explain and record the transactions of the Company, enable at any time the assets, liabilities, financial position and profit or loss of the Company to be determined with reasonable accuracy, enable them to ensure that the Financial Statements and Directors' Report comply with the Companies Act 2014 and enable the Financial Statements to be audited. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

REPORT OF THE DIRECTORS *continued*

SUBSIDIARIES

The Company's direct subsidiaries are listed in note 30.

SUBSEQUENT EVENTS

In April 2023, the Group refinanced its existing loan facilities with Allied Irish Bank. The new facilities with Allied Irish Bank mature in 2028 with €1.5m of capital repayments due in the financial year ended 31 December 2023.

INDEPENDENT AUDITORS

The auditors, Deloitte Ireland LLP, Chartered Accountants and Statutory Audit Firm continue in office in accordance with Section 383(2) of the Companies Act 2014.

ACCOUNTING RECORDS

The Directors have taken appropriate measures to ensure compliance with Sections 281 to 285 of the Companies Act 2014. The specific measures taken are the use of suitably qualified accounting personnel and the maintenance of appropriate accounting systems. The books of account are located at Irish Farm Centre, Bluebell, Dublin 12.

ANNUAL GENERAL MEETING

The notice of the Annual General Meeting of the Company which will be held at 12 noon on 09 June 2023 in the Irish Farm Centre, Bluebell, Dublin 12, is set out on page 51.

APPROVAL OF FINANCIAL STATEMENTS

The Financial Statements were approved by the Directors on 02 May 2023.

Signed on behalf of the Board:

Pat Murphy
Chairman

James Kane
Vice Chairman

02 May 2023

INDEPENDENT AUDITOR'S REPORT

To the members of Farmer Business Developments plc

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

OPINION ON THE FINANCIAL STATEMENTS OF FARMER BUSINESS DEVELOPMENTS PLC ("THE COMPANY")

In our opinion the group and parent company financial statements:

- give a true and fair view of the assets, liabilities and financial position of the group and parent company as at 31 December 2022 and of the profit of the group for the financial year then ended; and
- have been properly prepared in accordance with the relevant financial reporting framework and, in particular, with the requirements of the Companies Act 2014.

The financial statements we have audited comprise:

the group financial statements:

- the Consolidated Income Statement;
- the Consolidated Statement of Comprehensive Income;
- the Consolidated Balance Sheet;
- the Consolidated Statement of Changes in Equity;
- the Consolidated Cash Flow Statement; and
- the related notes 1 to 36, including a summary of significant accounting policies as set out in note 1.

the parent company financial statements:

- the Company Balance Sheet;
- the Company Statement of Changes in Equity;
- the Company Cash Flow Statement; and
- the related notes 1 to 36, including a summary of significant accounting policies as set out in note 1.

The relevant financial reporting framework that has been applied in their preparation is the Companies Act 2014 and FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' issued by the Financial Reporting Council ("the relevant financial reporting framework").

BASIS FOR OPINION

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

We are independent of the group and parent company 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, 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.

INDEPENDENT AUDITOR'S REPORT *continued*

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 and parent company'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 and Audited Financial Statements, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the Annual Report and Audited Financial Statements. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

RESPONSIBILITIES OF DIRECTORS

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

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

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2014

Based solely on the work undertaken in the course of the audit, we report that:

- We have obtained all the information and explanations which we consider necessary for the purposes of our audit.
- In our opinion the accounting records of the parent company were sufficient to permit the financial statements to be readily and properly audited.
- The parent company balance sheet is in agreement with the accounting records.
- In our opinion the information given in the directors' report is consistent with the financial statements and the directors' report has been prepared in accordance with the Companies Act 2014.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

Based on the knowledge and understanding of the group and parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the provisions in the Companies Act 2014 which require us to report to you if, in our opinion, the disclosures of directors' remuneration and transactions specified by law are not made.

USE OF OUR REPORT

This report is made solely to the company's members, as a body, in accordance with Section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Sinéad McHugh
For and on behalf of Deloitte Ireland LLP,
Chartered Accountants and Statutory Audit Firm,
Deloitte & Touche House,
29 Earlsfort Terrace,
Dublin 2.
04 May 2023

CONSOLIDATED INCOME STATEMENT

For the financial year ended 31 December 2022

		2022	2021
	Notes	**€000s**	**€000s**
Turnover	*4*	**97,089**	47,935
Cost of sales		**(12,047)**	(6,939)
GROSS PROFIT		**85,042**	40,996
Staff costs	*5*	**(41,897)**	(21,346)
Administrative expenses		**(32,786)**	(17,480)
GROUP OPERATING PROFIT		**10,359**	2,170
Other operating income	*6*	**682**	5,271
Reversal of impairment on hotel assets	*13*	**985**	-
Unrealised gain on investments	*16(a)*	**85**	2,674
Profit on sale of investments	*16(a)*	**151**	728
Profit on sale of investment property		**754**	1,296
PROFIT BEFORE INTEREST AND TAXATION		**13,016**	12,139
Interest income and other similar items	*7*	**9,783**	1,058
Interest payable and similar expenses	*8*	**(2,375)**	(1,558)
PROFIT BEFORE TAXATION	*9*	**20,424**	11,639
Taxation	*11*	**(2,497)**	(1,749)
PROFIT AFTER TAXATION		**17,927**	9,890
Attributable to non-controlling interests	*27*	**39**	(42)
PROFIT FOR THE FINANCIAL YEAR		**17,966**	9,848

The Financial Statements were approved by the Board on 02 May 2023.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the financial year ended 31 December 2022

	Notes	2022 €000s	2021 €000s
Profit for the financial year		**17,966**	9,848
OTHER COMPREHENSIVE INCOME			
Unrealised gain / (loss) on investments classified as available for sale	*14*	**31,653**	(1,365)
TOTAL COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR		**49,619**	8,483

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the financial year ended 31 December 2022

	Notes	Called up share capital presented as equity €000s	Revaluation reserve €000s	Revenue reserves €000s	Capital Redemption reserve €000s	Preference share capital €000s	Non-controlling interest €000s	Total equity €000s
At 1 January 2021		7,117	59,014	156,522	4,074	1,196	24,581	252,504
Non-controlling interest repayment	*27*	-	-	-	-	-	(13)	(13)
Profit for the year		-	-	9,848	-	-	42	9,890
Other comprehensive loss		-	(1,365)	-	-	-	-	(1,365)
Dividends approved and paid	*12*	-	-	(5,338)	-	-	-	(5,338)
At 31 December 2021		7,117	57,649	161,032	4,074	1,196	24,610	255,678
Non-controlling interest repayment	*27*	-	-	-	-	-	(32)	(32)
Profit for the year		-	-	17,966	-	-	(39)	17,927
Other comprehensive gain		-	31,653	-	-	-	-	31,653
Dividends approved and paid	*12*	-	-	(3,782)	-	-	-	(3,782)
Purchase of own shares	*25*	(374)	-	(4,032)	-	-	-	(4,406)
At 31 December 2022		**6,743**	**89,302**	**171,184**	**4,074**	**1,196**	**24,539**	**297,038**

CONSOLIDATED BALANCE SHEET

At 31 December 2022

	Notes	2022 €000s	2021 €000s
NON CURRENT ASSETS			
Tangible fixed assets	*13*	**171,701**	142,371
Investments – available for sale	*14*	**96,894**	65,241
Investments – held-to-maturity	*15*	**21,075**	21,075
Investments – designated as at FVTPL	*16(a)*	**46,907**	45,737
Deferred taxation asset	*18(a)*	**1,651**	1,250
		338,228	275,674
CURRENT ASSETS			
Inventories	*19*	**15,305**	15,123
Debtors	*20(a)*	**11,640**	16,301
Cash and cash equivalents		**34,928**	41,704
		61,873	73,128
CURRENT LIABILITIES			
CREDITORS: Amounts falling due within one year	*21(a)*	**(69,383)**	(32,133)
NET CURRENT (LIABILITIES) / ASSETS		**(7,510)**	40,995
TOTAL ASSETS LESS CURRENT LIABILITIES		**330,718**	316,669
NON CURRENT LIABILITIES: Amounts falling due after one year	*21(c)*	**(33,680)**	(60,991)
NET ASSETS		**297,038**	255,678
CAPITAL AND RESERVES			
Called up share capital presented as equity	*25*	**6,743**	7,117
Reserves		**264,560**	222,755
SHAREHOLDERS' FUNDS – EQUITY INTERESTS		**271,303**	229,872
Preference share capital	*26*	**1,196**	1,196
SHAREHOLDERS' FUNDS ATTRIBUTABLE TO THE OWNERS		**272,499**	231,068
Non-controlling interests	*27*	**24,539**	24,610
TOTAL EQUITY		**297,038**	255,678

The Financial Statements were approved by the Board on 02 May 2023 and signed on its behalf by:

Pat Murphy
Chairman

James Kane
Vice Chairman

The accompanying notes on pages 22 to 50 form an integral part of the Financial Statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the financial year ended 31 December 2022

	Notes	2022 €000s	2021 €000s
OPERATING ACTIVITIES			
Net cash inflow from operating activities	*28(a)*	**25,960**	19,380
CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of tangible fixed assets		**(6,786)**	(3,097)
Net cash inflow on sale of land		**1,499**	2,901
Proceeds from sale of quoted and unquoted investments		**25,400**	2,781
Purchase of quoted and unquoted investments	*16(a)*	**(26,334)**	(27,296)
Purchase of held to maturity investment	*15*	**-**	(1,075)
Purchase of a hotel asset (net of cash acquired)	*36*	**(25,892)**	-
Repayment of non-controlling interest	*27*	**(32)**	(13)
NET CASH OUTFLOW FROM INVESTMENT ACTIVITIES		**(32,145)**	(25,799)
CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds from new bank borrowings		**19,000**	355
Purchase of own shares	*25*	**(4,406)**	-
Repayments of loan obligations		**(11,403)**	(2,669)
Ordinary and preference dividends paid	*12*	**(3,782)**	(5,338)
NET CASH OUTFLOW FROM FINANCING ACTIVITIES		**(591)**	(7,652)
DECREASE IN CASH AND CASH EQUIVALENTS FOR THE YEAR		**(6,776)**	(14,071)
Cash and cash equivalents at the beginning of the year		**41,704**	55,775
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR		**34,928**	41,704

COMPANY BALANCE SHEET
At 31 December 2022

	Notes	2022 €000s	2021 €000s
NON CURRENT ASSETS			
Investments – held-to-maturity	*15*	**21,075**	21,075
Investments – designated as at FVTPL	*16(b)*	**24,417**	25,934
Investment in subsidiaries	*17*	**168,448**	136,795
Deferred taxation asset	*18(c)*	**1,250**	1,250
		215,190	185,054
CURRENT ASSETS			
Debtors	*20(b)*	**239**	239
Cash and cash equivalents		**329**	711
		568	950
CURRENT LIABILITIES			
CREDITORS: Amounts falling due within one year	*21(b)*	**(209)**	(2,003)
NET CURRENT ASSETS / (LIABILITIES)		**359**	(1,053)
TOTAL ASSETS LESS CURRENT LIABILITIES		**215,549**	184,001
NON CURRENT LIABILITIES: Amounts falling due after one year	*21(d)*	**-**	(3,950)
NET ASSETS		**215,549**	180,051
CAPITAL AND RESERVES			
Called up share capital presented as equity	*25*	**6,743**	7,117
Reserves		**207,610**	171,738
ORDINARY SHAREHOLDERS' FUNDS		**214,353**	178,855
Preference share capital	*26*	**1,196**	1,196
TOTAL SHAREHOLDERS' FUNDS		**215,549**	180,051

In accordance with Section 304(2) of the Companies Act 2014 the Company is availing of the exemption from presenting its individual Income Statement to the Annual General Meeting and from filing it with the Companies Registration Office. A profit of €43.686m (2021: €1.974m) has been reflected in the Financial Statements of the parent Company.

The Financial Statements were approved by the Board on 02 May 2023 and signed on its behalf by:

Pat Murphy
Chairman

James Kane
Vice Chairman

The accompanying notes on pages 22 to 50 form an integral part of the Financial Statements.

COMPANY STATEMENT OF CHANGES IN EQUITY

For the financial year ended 31 December 2022

	Notes	Called up share capital presented as equity	Revenue reserves	Capital Redemption reserve	Preference share capital	Total equity
		€000s	€000s	€000s	€000s	€000s
At 1 January 2021		7,117	171,028	4,074	1,196	183,415
Profit for the year		-	1,974	-	-	1,974
Dividends approved and paid	12	-	(5,338)	-	-	(5,338)
At 31 December 2021		7,117	167,664	4,074	1,196	180,051
Profit for the year		-	43,686	-	-	43,686
Dividends approved and paid	12	-	(3,782)	-	-	(3,782)
Purchase of own shares	25	(374)	(4,032)	-	-	(4,406)
At 31 December 2022		**6,743**	**203,536**	**4,074**	**1,196**	**215,549**

COMPANY STATEMENT OF CASH FLOWS

For the financial year ended 31 December 2022

	Notes	2022	2021
		€000s	€000s
OPERATING ACTIVITIES			
Net cash inflow from operating activities	28(b)	**11,472**	183
CASH FLOW FROM INVESTING ACTIVITIES			
Sale of quoted and unquoted investments		**5,918**	2,781
Purchase of quoted and unquoted investments	16(b)	**(3,834)**	(7,302)
Purchase of Held to Maturity investment	15	**-**	(1,075)
Investment in subsidiary	17	**-**	(280)
NET CASH INFLOW/(OUTFLOW) FROM INVESTMENT ACTIVITIES		**2,084**	(5,876)
CASH FLOW FROM FINANCING ACTIVITIES			
Loan repayment		**(5,750)**	(1,500)
Ordinary and preference dividends paid	12	**(3,782)**	(5,338)
Purchase of own shares	25	**(4,406)**	-
NET CASH OUTFLOW FROM FINANCING ACTIVITIES		**(13,938)**	(6,838)
DECREASE IN CASH AND CASH EQUIVALENTS FOR THE YEAR		**(382)**	(12,531)
Cash and cash equivalents at the beginning of the year		**711**	13,242
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR		**329**	711

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

1. STATEMENT OF ACCOUNTING POLICIES

A) GENERAL INFORMATION AND BASIS OF PREPARATION AND ACCOUNTING

The Group Financial Statements have been prepared under the historical cost convention as modified to include certain items at fair value, and in accordance with the Companies Acts 2014 and Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council.

B) BASIS OF CONSOLIDATION

The Consolidated Financial Statements include the Financial Statements of the Company and its subsidiary undertakings, made up to 31 December 2022. In subsidiary undertakings, control is achieved where the Company has the power to govern the financial and operating policies of an investee entity so as to obtain benefits from its activities. The accounting policies of the subsidiaries are in line with those used by the Group.

All intra Group transactions, balances, income and expenses are eliminated on consolidation.

The acquisition of subsidiaries is accounted for using the acquisition method. The cost of acquisition is measured as the aggregate of the fair values, at the date of exchange, of assets given, liabilities incurred or assumed, and equity instruments issued by the Group in exchange for control of the acquiree, plus any costs directly attributable to the business combination. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition under FRS102 are recognised at their fair value at the acquisition date.

C) TURNOVER

Turnover recognised in the Consolidated Income Statement account represents the total invoice value of goods or services supplied to customers outside the Group during the year, excluding VAT and discounts. Turnover is recognised to the extent that the Group obtains the right to consideration in exchange for its performance. Where payments are received in advance of goods or services provided, the amounts are recorded as deferred income and included as part of creditors due within one year.

Turnover on property sales is recognised on signing of agreements and when the entity has transferred the significant risks and rewards of ownership of the property and the amount of revenue can be measured reliably.

D) TAXATION AND DEFERRED TAXATION

Current tax, including Irish corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax arises in respect of all timing differences at the reporting date. Timing differences are differences between taxable profits and total comprehensive income as stated in the financial statements that arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. They are regarded as recoverable to the extent that, on the basis of available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax relating to property, plant and equipment measured using the revaluation model and investment property is measured using the tax rates and allowances that apply to the sale of the asset. Where items recognised in other comprehensive income or equity are chargeable to or deductible for tax purposes, the resulting current or deferred tax expense or income is presented in the same component of comprehensive income or equity as the transaction or other event that resulted in the tax expense or income.

D) TAXATION AND DEFERRED TAXATION *continued*

Current tax assets and liabilities are offset only when there is a legally enforceable right to set off the amounts and the Company intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Deferred tax assets and liabilities are offset only if: a) the Company has a legally enforceable right to set off current tax assets against current tax liabilities; and b) the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on the Company and the Company intends either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

E) FOREIGN CURRENCY

The individual financial statements of each company in the Group are stated in the currency of the primary economic environment in which it operates (its functional currency).

The functional and the presentation currency of the Group Financial Statements is Euro, denoted by the symbol €. Transactions in currencies other than Euro are recorded at the rates of exchange prevailing on the dates of the transactions. Monetary assets and liabilities in foreign currencies have been translated into Euro at closing rates at the reporting date. Gains and losses on translation are recognised in the Consolidated Income Statement in the period in which they arise except when they relate to items for which gains and losses are recognised in equity. Non-monetary items are translated at the exchange rate at the date of transaction.

F) RETIREMENT BENEFITS

The Group operates a number of defined contribution schemes. Costs arising in respect of the Group's defined contribution schemes are charged to the Consolidated Income Statement as an expense as they fall due.

G) DIVIDENDS

Dividend income from investments is recognised when the shareholders' rights to receive payment have been established. Dividend distribution to the Company's shareholders is recognised as a liability in the Group's Financial Statements in the period in which the dividends are approved.

H) TANGIBLE FIXED ASSETS AND DEPRECIATION

All tangible fixed assets are initially recorded at historic cost. Following initial recognition, hotel and golf assets are stated at cost less any accumulated depreciation and any accumulated impairment losses. At each reporting date, the Directors of the Group review the carrying value of its hotel and golf assets to determine if there is any indication that those assets have suffered an impairment loss or reversal of a previous impairment.

Depreciation is provided at rates calculated to write off the cost, less residual value based on prices prevailing at the date of acquisition, of each asset evenly over its expected useful life, over a five to seven-year period. In the case of buildings expected useful life is fifty years.

I) REVALUATION OF INVESTMENT PROPERTIES

Investment properties for which fair value can be measured reliably without undue cost or effort on an ongoing basis are measured at fair value annually with any change recognised in the Consolidated Income Statement. The Group obtained independent valuations at the end of 2022 on the Group's investment property assets. The Directors use a valuation technique based on a discounted cash flow model in determining the fair value of investment property at each reporting date. The determined fair value of the investment property is most sensitive to the estimated discount factor and timing of expected cash flows.

NOTES TO THE FINANCIAL STATEMENTS *continued*

J) INVENTORIES

Inventories include golf/hotel consumables and development land which the Group intend to dispose and/or develop in the short to medium term. Inventories acquired as part of an acquisition are valued at fair value, otherwise they are valued at the lower of cost and net realisable value after making due allowance for any obsolete or slow moving items. Cost includes all expenditure incurred in bringing inventories to their present location and condition. Net realisable value is the estimated selling price, less further costs expected to be incurred to completion and disposal.

K) FINANCIAL INSTRUMENTS

Financial Instruments are recognised and measured in accordance with Section 12.2(b) of FRS102. Financial Instruments are recognised in the Consolidated Balance Sheet when the Group becomes a party to the contractual provisions of the instrument.

(i) Investments classified as at fair value through profit or loss (FVTPL)
Financial assets are classified as FVTPL (fair value through profit or loss) when the financial asset is either held for trading or it is designated as FVTPL.

A financial asset is classified as held for trading if:

- it has been acquired principally for the purpose of selling in the near term; or
- on initial recognition, it is a part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

A financial asset other than a financial asset held for trading may be designated as FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- the financial asset forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Group's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, the entire combined contract (asset or liability) may be designated as FVTPL.

Financial assets at FVTPL are stated at fair value, with any gains or losses arising on re-measurement recognised in the Consolidated Income Statement.

(ii) Available for sale investments (AFS)
Available for sale investments of the Group include its shareholding in FBD Holdings plc. This investment is stated at fair value, using the closing bid price, with unrealised gains and losses recognised as a revaluation surplus or deficit in the revaluation reserve in the year in which they arise.

In the accounts of the subsidiary company, Farmer Business Developments Assets Ltd, the investment is stated at fair value using the closing bid price, with unrealised gains and losses reflected through the Consolidated Statement of Comprehensive Income.

K) FINANCIAL INSTRUMENTS *continued*

(iii) Held-to-maturity investments

Held-to-maturity investments are financial assets with fixed or determinable payments that an entity intends and is able to hold to maturity. Held-to-maturity investments of the Group include its interest in FBD Holdings plc Loan Notes. Held-to-maturity investments are recognised on acquisition at fair value. Subsequent to initial recognition held-to-maturity investments are measured at amortised cost, less any impairment using the effective interest rate method. The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount of initial recognition. Interest is charged on the loans at the market rate.

(iv) Deposits

Term deposits with banks comprise cash held for the purpose of investment. Demand deposits with banks are held for operating purposes.

(v) Loans and receivables

Loans are initially measured at fair value plus transaction costs and subsequently carried at amortised cost less any impairment using the effective interest rate method.

(vi) Investment in Group company

Financial assets representing the Company's investment in subsidiary undertakings are stated at cost less provision for any permanent diminution in value.

L) IMPAIRMENT OF FINANCIAL INSTRUMENTS

Financial assets at amortised cost are assessed for indicators of impairment at each reporting date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial assets, the estimated future cash flows of the investment have been impacted.

For financial assets carried at amortised cost, the amount of the impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

If, in a subsequent year, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through profit or loss, to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

M) SHARE CAPITAL

Ordinary Shares

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

Preference Shares

Preference shares that do not meet the definition of a financial liability are classified as equity.

NOTES TO THE FINANCIAL STATEMENTS *continued*

N) TREASURY SHARES

Where the Company purchases its own equity share capital, the consideration paid is deducted from total shareholders' equity and classified as treasury shares until such shares are cancelled or re-issued. Where such shares are subsequently sold or re-issued, any consideration received is included in total shareholders' equity.

O) INTEREST-BEARING LOANS AND BORROWINGS

All interest-bearing loans and borrowings are initially recognised at fair value. After initial recognition debt is increased by the finance cost in respect of the reporting period and reduced by repayments made in the period.

P) CAPITAL INSTRUMENTS

Equity instruments are included in shareholders' funds. Other instruments, including convertible loan notes are included in liabilities at fair value if they contain an obligation to transfer economic benefits. The finance cost recognised in the income statement in respect of capital instruments other than equity shares is allocated to periods over the term of the instrument at a constant rate on the carrying amount.

2. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in note 1, the Directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Critical judgements in applying the Group's accounting policies

The following are the critical judgements and key source of estimation uncertainty, that the Directors have made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

The Group obtained independent valuations at the end of 2022 on the Group's tangible fixed assets and investment properties. The Directors have taken account of these valuations, the trading results of hotel, golf and property assets in the Group during 2022, reviewed assumptions on the materialisation of cashflows and assessed current market conditions and believe there is an impairment reversal on its hotel assets of €0.985m and neither an impairment nor fair value credit on its investment property.

Financial instruments are measured subsequent to initial recognition at fair value and grouped into Level 1 to 3 based on the degree to which fair value is observable. Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data.

3. BASIS OF PREPARATION - GOING CONCERN

At the time of approving the Financial Statements, the Directors are confident that the Company and the Group have adequate resources to continue in operational existence for the foreseeable future and that the Parent Company and Group Financial Statements should be prepared on a going concern basis.

The Directors have taken account of the refinancing completed after year end and expect to be in compliance with its Group bank covenants at least up to and including 12 months from signing the accounts. The Group remains conservatively leveraged and the Directors believe the Group can continue to operate and meet its liabilities as they fall due.

The Group had a strong balance sheet at year end with the Group's net asset position of €297m, and cash balances of €35m.

4. TURNOVER - GROUP

(a) By geographical area	**2022**	**2021**
	€000s	**€000s**
Ireland	**55,092**	22,721
Germany	**-**	17
Spain	**41,997**	25,197
	97,089	**47,935**

(b) By line of business	**2022**	**2021**
	€000s	**€000s**
Property	**3,997**	8,984
Hotel and Resorts	**93,092**	38,899
Lease income	**-**	52
	97,089	**47,935**

NOTES TO THE FINANCIAL STATEMENTS *continued*

5. STAFF NUMBERS AND COSTS - GROUP

The average numbers of persons, excluding the Directors, employed by the Group during the financial year was 1,252 (2021: 640) analysed as follows:

	2022	2021
	Numbers	Numbers
Irish operations	**839**	369
Spanish operations	**413**	271
Total	**1,252**	640

The staff costs comprised:	2022	2021
	€000s	€000s
Salaries and Directors' fees	**36,137**	18,415
Social welfare costs	**5,310**	2,678
Pension costs	**244**	212
Redundancy costs	**206**	41
Total staff costs	**41,897**	21,346

Accrued pension costs payable at 31 December 2022 amounted to €17,046 (2021: €7,490). Included in staff costs above are Directors' fees totalling €152,000 (2021: €152,000).

6. OTHER OPERATING INCOME

	2022	2021
	€000s	€000s
Other operating income	**682**	5,271

Government grants of €0.682m (2021:€5.271m) relating to the Employment Wage Subsidy Scheme (EWSS), Failte Ireland Adaption Fund grant, Restart grants, Covid Restrictions Support Scheme (CRSS) and Swim Ireland Grant have been recognised as other operating income in the year.

7. INTEREST INCOME AND OTHER SIMILAR ITEMS

	2022	2021
	€000s	€000s
Interest receivable	**1,068**	1,058
Dividend Income	**8,715**	-
	9,783	1,058

8. INTEREST PAYABLE AND SIMILAR EXPENSES

	2022	2021
	€000s	€000s
Interest payable on bank loans and overdrafts	2,375	1,558

9. PROFIT BEFORE TAXATION

	2022	2021
	€000s	€000s
The profit before taxation is stated after crediting:		
Interest receivable and other similar items	1,068	1,058
Profit on sale of investments	151	728
Unrealised gain on investments	85	2,674
Profit on sale of investment property	754	1,296
Reversal of Impairment on hotel assets	985	-
And after charging:		
Depreciation of tangible fixed assets	(4,927)	(4,019)
Directors' remuneration		
- Fees for services as Directors	(152)	(152)

10. INFORMATION RELATING TO AUDITORS' REMUNERATION

Remuneration for work carried out for the Company and Group in respect of the financial year by the statutory audit firm, Deloitte Ireland LLP and its affiliates is as follows:

	2022	2021
	€000s	€000s
Description of service		
Audit services		
- Group*	210	175
- Company	45	42
Tax advisory services		
- Group*	189	154
- Company	18	13
Other Non-Audit services		
- Group*	7	-

Fees payable by the Company are included with the fees payable by the Group in each category above.

**The audit, tax advisory and other service fees are aggregated fees from Deloitte Ireland LLP and its affiliates in Spain.*

NOTES TO THE FINANCIAL STATEMENTS *continued*

11. TAXATION - GROUP

	2022	2021
	€000s	€000s
(a) Analysis of movement in year		
Current taxation charge	**1,920**	1,182
Deferred taxation (credit)/charge (note 18 (a))	**(401)**	87
Deferred taxation charge (note 18 (b))	**978**	480
Taxation charge	**2,497**	1,749

(b) Factors affecting tax charge for year

The tax assessed for the year is different to the standard rate of corporation tax in Ireland (12.5%) (2021: 12.5%). The differences are explained below:

	2022	2021
	€000s	€000s
Profit before taxation	**20,424**	11,639
Profit on ordinary activities at standard rate of corporation tax in Ireland of 12.5% (2021: 12.5%)	**2,553**	1,455
Effects of:		
Non-taxable income/unrealised gains/losses not chargeable		
/deductible for tax purposes	**(932)**	(261)
Income at higher rate	**1,126**	811
Adjustments in respect of prior years	**(250)**	(256)
Taxation charge	**2,497**	1,749

12. DIVIDENDS PAYABLE

	2022	2021
	€000s	€000s
Paid:		
Dividend of 17.78c (2021: 17.78c) per share on the 14% non-cumulative preference shares of €1.27 each	**89**	89
Dividend of 1.43c (2021: 1.43c) per share on the 11% non-cumulative preference shares of €0.13 each	**62**	62
Dividend of 7c (2021: 10c) per share on ordinary shares of €0.13 each	**3,631**	5,187
	3,782	5,338
Proposed:		
Dividend of 9c (2022: 7c) per share on the ordinary shares of €0.13 each	**4,409**	3,631

13. TANGIBLE FIXED ASSETS – GROUP

Group - 2022	Hotels	Golf Assets	Investment Property	Total
	€000s	€000s	€000s	€000s
Cost:				
At 1 January 2022	153,479	40,730	39,432	233,641
Acquisition (note 36)	27,119	-	-	27,119
Additions	5,912	834	189	6,935
Disposals	(224)	(27)	(745)	(996)
At 31 December 2022	**186,286**	**41,537**	**38,876**	**266,699**
Depreciation:				
At 1 January 2022	64,124	27,146	-	91,270
Charge for the year	4,068	859	-	4,927
Disposals	(198)	(16)	-	(214)
Reversal of Impairment on hotel assets	(985)	-	-	(985)
At 31 December 2022	**67,009**	**27,989**	**-**	**94,998**
Net book value:				
At 31 December 2022	**119,277**	**13,548**	**38,876**	**171,701**
Net book value:				
At 31 December 2021	**89,355**	**13,584**	**39,432**	**142,371**

Hotel and golf assets have been used as security for bank loans totalling €59.8m (2021: €43.7m).

REVALUATION / IMPAIRMENT

The Group obtained independent valuations at the end of 2022 on the Group's tangible fixed assets and investment properties. The Directors have taken account of these valuations, the trading results of hotel, golf and property assets in the Group during 2022, reviewed assumptions on the materialisation of cashflows and assessed current market conditions and believe there is an impairment reversal on its hotel assets of €0.985m and neither an impairment nor fair value credit on its investment property.

The following amounts are included under hotel and golf assets above and are held under finance lease contracts:

	2022	2021
	€000s	€000s
Cost	**756**	756
Accumulated depreciation	**(430)**	(280)
	326	476

NOTES TO THE FINANCIAL STATEMENTS *continued*

14. INVESTMENTS – AVAILABLE FOR SALE - GROUP

	2022	2021
	€000s	**€000s**
Balance at start of year	**65,241**	66,606
Revaluation surplus/(deficit)	**31,653**	(1,365)
Balance at end of year	**96,894**	65,241
The balance at year end comprises:		
Investment in FBD Holdings plc		
8,531,948 (2021: 8,531,948) ordinary shares of €0.60 each	**94,278**	62,625
1,340,000 (2021: 1,340,000) 14% non-cumulative preference shares of €0.60 each	**1,608**	1,608
1,470,292 (2021: 1,470,292) 8% non-cumulative preference shares of €0.60 each	**1,008**	1,008
	96,894	65,241

The Company holds 23.97% (2021: 24.2%) of the ordinary share capital of FBD Holdings plc.

FBD Holdings plc is a quoted investment holding Company. The fair value of its ordinary shares at year end was €11.05 (2021: €7.34). Preference shares are included at fair value. The Directors consider the fair value of each 14% preference share to be €1.20 (2021: €1.20) and the fair value of each 8% preference share to be €0.69 (2021: €0.69). The principal activity of its principal subsidiary, FBD Insurance, is looking after the insurance needs of farmers, private individuals and business owners. The registered office of FBD Holdings plc is FBD House, Bluebell, Dublin 12. The financial information shown below and over-leaf has been prepared under International Financial Reporting Standards.

CONSOLIDATED FINANCIAL INFORMATION ON FBD HOLDINGS PLC (INCOME STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2022)

	2022	2021
	€000s	**€000s**
Income	**333,426**	357,231
Expenses	**(259,703)**	(246,796)
Result before taxation from continuing operations	**73,723**	110,435
Taxation	**(9,269)**	(14,026)
Result for the financial year	**64,454**	96,409
Attributable to:		
Equity holders of the parent	**64,454**	96,409
	64,454	96,409

14. INVESTMENTS – AVAILABLE FOR SALE - GROUP *continued*

CONSOLIDATED STATEMENT OF FINANCIAL POSITION OF FBD HOLDINGS PLC AT 31 DECEMBER 2022

	2022	2021
ASSETS	**€000s**	**€000s**
Property, plant & equipment	**22,745**	24,178
Policy administration system	**23,683**	27,982
Intangible assets	**14,082**	9,031
Investment Property	**15,052**	16,055
Right of use assets	**4,290**	5,078
Loans	**580**	577
Financial assets	**977,959**	1,031,262
Reinsurance assets	**138,785**	196,960
Retirement benefit asset	**8,499**	10,901
Deferred taxation asset	**8,091**	-
Deferred acquisition costs	**38,520**	35,458
Other receivables	**58,307**	58,047
Cash and cash equivalents	**162,398**	164,479
Total Assets	**1,472,991**	1,580,008
EQUITY AND LIABILITIES		
EQUITY		
Called up share capital presented as equity	**21,583**	21,409
Capital reserves	**30,192**	27,406
Revaluation reserve	**755**	752
Retained earnings	**370,258**	422,815
EQUITY ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT	**422,788**	472,382
Preference share capital	**2,923**	2,923
TOTAL EQUITY	**425,711**	475,305
LIABILITIES		
Insurance contract liabilities	**932,677**	985,404
Other provisions	**11,615**	13,492
Subordinated debt	**49,662**	49,603
Lease liability	**4,600**	5,349
Deferred taxation liability	**-**	2,761
Current taxation liability	**2,399**	6,437
Payables	**46,327**	41,657
Total Liabilities	**1,047,280**	1,104,703
TOTAL EQUITY AND LIABILITIES	**1,472,991**	1,580,008

NOTES TO THE FINANCIAL STATEMENTS *continued*

15. INVESTMENTS – HELD-TO-MATURITY

In October 2018 the Company subscribed for €20m Loan Notes issued by FBD Insurance plc. The Loan Notes bear interest at the rate of 5% per annum. The Loan Notes will be redeemed in October 2028. The Loan Notes were recognised on acquisition at a fair value of €20m. During 2021 the company purchased an additional €1m Loan Notes for a fair value of €1.075m, giving a total investment of €21.075m. Subsequent to initial recognition the Loan Notes are measured at amortised cost, less any impairment using the effective interest rate method.

16. (a) INVESTMENTS – DESIGNATED AS AT FAIR VALUE THROUGH PROFIT OR LOSS – GROUP

	2022	2021
	€000s	€000s
Quoted shares (cost €1,301,000) (2021: €966,000)	1,223	516
Unquoted shares (cost €39,379,000) (2021: €38,075,000)	45,684	45,221
	46,907	45,737

The movements on the above investments are as follows:

	2022	2021
	€000s	€000s
Balance at 1 January	45,737	16,189
Purchase of investments	26,334	27,296
Sale of investments	(25,400)	(1,150)
Profit on sale of investments	151	728
Unrealised gain on investments	85	2,674
Balance at 31 December	46,907	45,737

16. (b) INVESTMENTS – DESIGNATED AS AT FAIR VALUE THROUGH PROFIT OR LOSS – COMPANY

	2022	2021
	€000s	€000s
Quoted shares (cost €1,301,000) (2021: €996,000)	1,223	516
Unquoted shares (cost €16,602,000) (2021: €18,081,000)	23,194	25,418
	24,417	25,934

The movements on the above investments are as follows:

	2022	2021
	€000s	€000s
Balance at 1 January	25,934	16,189
Purchase of investments	3,834	7,302
Sale of investments	(5,918)	(1,150)
Profit on sale of investments	472	728
Unrealised gain on investments	95	2,865
Balance at 31 December	24,417	25,934

17. INVESTMENT IN SUBSIDIARIES – COMPANY

	2022	2021
	€000s	€000s
Balance at 1 January	**136,795**	138,173
Advances to subsidiaries	**-**	280
Write up/(down) in investment in subsidiary	**31,653**	(1,658)
Balance at 31 December	**168,448**	136,795

Details of subsidiary undertakings are provided in Note 30.

18. (a) DEFERRED TAXATION ASSET – GROUP

	2022	2021
	€000s	€000s
Balance at 1 January	**1,250**	1,337
Credit/(charge) to Income Statement (note 11 (a))	**401**	(87)
Balance at 31 December	**1,651**	1,250
Deferred taxation asset is comprised as follows:		
Taxation losses carried forward	**1,651**	1,250

At the financial year end, the Group has an unprovided deferred tax asset of €0.725m (2021: €0.861m) on unrealised investment losses. In accordance with FRS102, the Directors consider it prudent not to recognise this asset, at this time.

The deferred tax asset relates to tax losses forward.

18. (b) DEFERRED TAXATION LIABILITY – GROUP

	2022	2021
	€000s	€000s
Balance at 1 January	**9,781**	9,301
Charge to Income Statement (note 11 (a))	**978**	480
Balance at 31 December	**10,759**	9,781

Deferred taxation liabilities arise on the unrealised fair value gains on hotel, golf and investment properties using the tax rates and allowances that apply to the sale of these assets.

NOTES TO THE FINANCIAL STATEMENTS *continued*

18. (c) DEFERRED TAXATION ASSET – COMPANY

	2022	2021
	€000s	€000s
Balance at 1 January	**1,250**	1,250
Credit to Income Statement	**-**	-
Balance at 31 December	**1,250**	1,250
Deferred taxation asset is comprised as follows:		
Taxation losses carried forward	**1,250**	1,250

Deferred tax assets in respect of unrealised losses on investments totalling €0.725m (2021: €0.861m) have not been recognised at the reporting date due to uncertainty on the timing and extent of taxable profits.

19. INVENTORIES - GROUP

	2022	2021
	€000s	€000s
Consumables	**1,219**	881
Land	**14,086**	14,242
	15,305	15,123

Inventories acquired as part of an acquisition are initially recorded at fair value, otherwise they are valued at the lower of cost and net realisable value after making due allowance for any obsolete or slow-moving items.

The Directors are of the opinion that the carrying values of consumables are not materially different from their replacement cost. Land stock is carried at cost which is lower than replacement cost.

20. (a) DEBTORS – GROUP

	2022	2021
	€000s	€000s
Trade and sundry debtors	**11,640**	16,168
Other debtors	**-**	133
	11,640	16,301

Trade and sundry debtors include amounts of €8.708m (2021: €9.433m) falling due after more than one year.

Other debtors represent funds advanced in respect of a major refurbishment project at Sunset Beach Club.

20. (b) DEBTORS – COMPANY

	2022	2021
	€000s	€000s
Trade and sundry debtors	**239**	239

21. (a) CREDITORS – GROUP AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	€000s	€000s
Creditors and accruals	**24,424**	17,166
Bank loans (note 22 (a))	**41,587**	5,375
Corporation tax	**1,604**	2,632
VAT	**467**	2,200
PAYE/PRSI	**1,301**	4,760
	69,383	32,133

21. (b) CREDITORS – COMPANY AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	€000s	€000s
Accruals	**184**	173
Corporation Tax	**25**	30
Bank loan (note 22 (b))	**-**	1,800
	209	2,003

21. (c) CREDITORS – GROUP AMOUNTS FALLING DUE AFTER ONE YEAR

	2022	2021
	€000s	€000s
Creditors and accruals	**1,869**	1,543
Bank loans (note 22 (a))	**21,052**	49,667
Deferred taxation liability (note 18 (b))	**10,759**	9,781
	33,680	60,991

21. (d) CREDITORS – COMPANY AMOUNTS FALLING DUE AFTER ONE YEAR

	2022	2021
	€000s	€000s
Bank loan (note 22 (b))	**-**	3,950
	-	3,950

NOTES TO THE FINANCIAL STATEMENTS *continued*

22. (a) BANK LOANS - GROUP

	2022	2021
	€000s	€000s
Bank borrowings	**62,639**	55,042
The maturity of the Group's bank borrowings is analysed as follows:		
On demand or due within one year	**41,587**	5,375
Between two and five years	**20,946**	48,508
Greater than five years	**106**	1,159
	62,639	55,042
Bank borrowings are analysed as follows:		
Included in current liabilities	**41,587**	5,375
Included in non current liabilities	**21,052**	49,667
	62,639	55,042

In April 2023, the Group refinanced its existing loan facilities with Allied Irish Bank. The new facilities with Allied Irish Bank mature in 2028 with €1.5m of capital repayments due in the financial year ended 31 December 2023.

All bank borrowings at 31 December 2022 and 31 December 2021 are denominated in Euro. The average rate of interest applicable to total loans is 4.5% (2021: 3%).

22. (b) BANK LOAN - COMPANY

	2022	2021
	€000s	€000s
Bank borrowings	-	5,750
The maturity of the Company's bank borrowings is analysed as follows:		
On demand or due within one year	-	1,800
Between two and five years	-	3,950
	-	5,750
Bank borrowings are analysed as follows:		
Included in current liabilities	-	1,800
Included in non current liabilities	-	3,950
	-	5,750

The company repaid bank loans in full during the financial year

All Company bank borrowings at 31 December 2021 are denominated in Euro. The average rate of interest applicable to total loans is 4.4% (2021: 3%).

23. PROVISION FOR LIABILITIES AND CHARGES - GROUP

	2022	2021
	€000s	**€000s**
Onerous lease provision		
Balance at 1 January	**-**	321
Provision released	**-**	(321)
Unwinding of discount	**-**	-
Balance at 31 December	**-**	-
Analysed as:		
Amounts falling due within one year	**-**	-
Amounts falling due after one year	**-**	-
	-	-

In 2012, the sub-lessee of a subsidiary company went into liquidation leading to the creation of an onerous lease provision totalling €2,023,000. The lease ended in 2021.

24. SECURITY – GROUP AND COMPANY

At 31 December 2022, security was given on bank loans totalling €59.8m with Allied Irish Bank, by way of a cross guarantee by FBD Hotels & Resorts Group, a charge over Irish hotel and golf resort assets with a carrying value of €75.2m and a share mortgage over FBD Hotels & Resorts Spanish subsidiaries.

25. CALLED UP SHARE CAPITAL PRESENTED AS EQUITY – GROUP AND COMPANY

		2022	2021
	Number	**€000s**	**€000s**
AUTHORISED:			
Ordinary shares of €0.13 each	99,359,130	**12,917**	12,917
"B" ordinary shares of €1.27 each	5,000,000	**6,350**	6,350
		19,267	19,267
ISSUED:			
At 1 January	54,747,876	**7,117**	7,117
Repurchase/Cancellation of own shares	(2,879,593)	**(374)**	-
At 31 December	51,868,283	**6,743**	7,117

During the year, the company purchased 2,879,593 (2021: Nil) ordinary shares as part of the share buy-back programme. The amount paid to repurchase these shares was €1.53 (2021: €Nil) per share, giving a total cost of €4.406m (2021: €Nil). The shares were cancelled, and the total consideration paid was deducted from retained earnings.

The number of ordinary shares of €0.13 each held as treasury shares at the year-end was 2,877,772 (2021: 2,877,772). This represents 5.5% (2021: 5.3%) of the shares of this class in issue and had a nominal value of €0.374m (2021: €0.374m).

NOTES TO THE FINANCIAL STATEMENTS *continued*

26. PREFERENCE SHARE CAPITAL – GROUP AND COMPANY

		2022	2021
	Number	**€000s**	**€000s**
AUTHORISED:			
14% non-cumulative preference shares of €1.27 each	500,000	**635**	635
11% non-cumulative preference shares of €0.13 each	10,000,000	**1,300**	1,300
		1,935	1,935
ISSUED:			
At beginning and end of year			
14% non-cumulative preference shares of €1.27 each	500,000	**635**	635
11% non-cumulative preference shares of €0.13 each	4,315,050	**561**	561
		1,196	1,196

The rights attaching to each class of share capital are set out in the Company's Articles of Association. In the event of the Company being wound up, the holders of the 14% non-cumulative preference shares rank ahead of the holders of the 11% non-cumulative preference shares, who in turn, rank ahead of the holders of the ordinary shares of €0.13 each.

27. NON-CONTROLLING INTERESTS - GROUP

	2022	2021
	€000s	**€000s**
Balance at 1 January	**24,610**	24,581
Repayment of non-controlling interest	**(32)**	(13)
Share of results for the period	**(39)**	42
Balance at 31 December	**24,539**	24,610

28. (a) RECONCILIATION OF PROFIT BEFORE TAXATION TO NET CASH INFLOW FROM OPERATING ACTIVITIES - GROUP

	2022	2021
	€000s	€000s
Profit before taxation	**20,424**	11,639
Adjustments for:		
Depreciation	**4,927**	4,019
Interest payable and similar expenses	**2,375**	1,558
Interest income and similar items	**(9,783)**	(1,058)
Repossession of timeshare weeks	**(149)**	(219)
(Increase)/decrease in inventories	**(70)**	1,706
Decrease in debtors	**4,833**	14,100
Increase in creditors	**1,006**	6,375
Decrease in provision of liabilities and charges	**-**	(321)
Increase in value of investments held at FVTPL	**(85)**	(2,674)
Profit on the sale of investments	**(151)**	(728)
Profit on sale of land	**(754)**	(1,296)
Reversal of Impairment on hotel assets	**(985)**	-
Cash generated from operations	**21,588**	33,101
Corporation tax paid	**(3,065)**	(13,238)
Interest paid	**(2,375)**	(1,558)
Interest received	**1,097**	1,075
Dividends received	**8,715**	-
Net cash inflow from operating activities	**25,960**	19,380

NOTES TO THE FINANCIAL STATEMENTS *continued*

28. (b) RECONCILIATION OF PROFIT BEFORE TAXATION TO NET CASH INFLOW FROM OPERATING ACTIVITIES - COMPANY

	2022	2021
	€000s	€000s
Profit before taxation	**43,846**	2,170
Adjustments for:		
Interest payable and similar expenses	**127**	181
Interest income	**(1,050)**	(1,040)
Dividend income	**(11,465)**	-
Increase in creditors	**11**	13
Profit on the sale of investments	**(472)**	(728)
Write (up)/down in investment in subsidiary	**(31,653)**	1,658
Increase in value of investments held at FVTPL	**(95)**	(2,865)
Cash used in operations	**(751)**	(611)
Corporation tax paid	**(165)**	(53)
Interest paid	**(127)**	(181)
Interest received	**1,050**	1,028
Dividends received	**11,465**	-
Net cash inflow from operating activities	**11,472**	183

29. RISK MANAGEMENT

The Group recognises the critical importance of efficient and effective risk management. Risk is categorised as follows:

- Capital management risk
- Operational risk
- Liquidity risk
- Market risk
- Credit risk
- Concentration risk
- Sensitivity analysis

Through its interest in its subsidiaries, the Company is exposed to the same risks as the Group.

(a) Capital management risk

The Group is committed to managing its capital so as to maximise returns to shareholders. The capital of the Group comprises of issued capital, reserves and retained earnings. The Board of Directors review the capital structure regularly to determine the appropriate level of capital required to pursue the Group's growth plans.

29. RISK MANAGEMENT *continued*

(b) Operational risk

Operational risk could arise as a result of inadequately controlled internal processes or systems, human error, or from external events.

This definition is intended to include all risks to which the Group is exposed and strategic and Group risks that are not considered elsewhere. Hence, operational risks include for example, information technology, information security, human resources, project management, outsourcing, tax, legal and fraud risks.

In accordance with Group policies, the Board of Directors has primary responsibility for the effective identification, management monitoring and reporting of risks. There are regular reviews by the Board of all major risks. The Board of Directors meet regularly to discuss its investment strategy and the performance of the Group's investments. The Group engages appropriately qualified personnel to look after its administration.

(c) Liquidity risk

The Group is exposed to daily calls on its cash resources. The Group manages liquidity risk by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

The following table provides an analysis of assets (excluding investment properties) into their relevant maturity groups based on the remaining period at the balance sheet date to their contractual maturities.

Assets 2022	**2022 Carrying Value Total**	**Contracted Value**	**Cashflow within 1 year**	**Cashflow 1-5 years**	**Cashflow after 5 years**
	€000s	**€000s**	**€000s**	**€000s**	**€000s**
Investments – AFS	**96,894**	96,894	-	-	96,894
Investments – FVTPL	**46,907**	46,907	23,375	13,380	10,152
Investments – held-to-maturity	**21,075**	21,075	-	-	21,075
Inventories	**15,305**	15,305	1,219	14,086	-
Debtors	**11,640**	11,640	2,932	8,708	-
Bank deposits	**34,928**	34,928	34,928	-	-
	226,749	226,749	62,454	36,174	128,121

Liabilities 2022	**2022 Carrying Value Total**	**Contracted Value**	**Cashflow within 1 year**	**Cashflow 1-5 years**	**Cashflow after 5 years**
	€000s	**€000s**	**€000s**	**€000s**	**€000s**
Creditors	**103,063**	103,063	69,383	21,933	11,747
	103,063	103,063	69,383	21,933	11,747

NOTES TO THE FINANCIAL STATEMENTS *continued*

29. RISK MANAGEMENT *continued*

(c) Liquidity risk *continued*

Assets 2021	**2021 Carrying Value Total**	**Contracted Value**	**Cashflow within 1 year**	**Cashflow 1-5 years**	**Cashflow after 5 years**
	€000s	**€000s**	**€000s**	**€000s**	**€000s**
Investments – AFS	65,241	65,241	-	-	65,241
Investments – FVTPL	45,737	45,737	25,210	12,660	7,867
Investments – held-to-maturity	21,075	21,075	-	-	21,075
Inventories	15,123	15,123	14,170	953	-
Debtors	16,301	16,301	6,868	9,433	-
Bank deposits	41,704	41,704	41,704	-	-
	205,181	205,181	87,952	23,046	94,183

Liabilities 2021	**2021 Carrying Value Total**	**Contracted Value**	**Cashflow within 1 year**	**Cashflow 1-5 years**	**Cashflow after 5 years**
	€000s	**€000s**	**€000s**	**€000s**	**€000s**
Creditors	93,124	93,124	32,133	50,051	10,940
	93,124	93,124	32,133	50,051	10,940

The Board of Directors have committed to further investment, as detailed in note 31, which has yet to be drawn down.

(d) Market risk

The Group has invested in quoted and unquoted shares. These investments are subject to market risk, whereby the value of the investments may fluctuate as a result of changes in market prices, changes in market interest rates or changes in the foreign exchange rates of the currency in which the investments are denominated. The extent of the exposure to market risk is mitigated by the formulation of, and adherence to, strict investment guidelines, as approved by the Board of Directors and employment of appropriately qualified and experienced personnel to manage the Group's investment portfolio.

29. RISK MANAGEMENT *continued*

(d) Market risk *continued*

Interest rate risk

The Group is exposed to interest rate risk attached to bank borrowings and deposits held with the financial institutions. The Group regularly reviews the appropriate level of exposure to interest rate risk across its investments. Factors taken into account are interest rate volatility and historical returns.

	2022		**2021**	
	Market Value	**Weighted average interest rate**	**Market Value**	**Weighted average interest rate**
	€000s		**€000s**	
Time to maturity:				
In one year or less	**(41,587)**	**4.5%**	(5,375)	3%
In more than one year, but not more than two years	**(1,364)**	**4.5%**	(45,570)	3%
In more than two years, but not more than five years	**(19,582)**	**4.5%**	(2,938)	3%
After five years	**(106)**	**4.5%**	(1,159)	3%
	(62,639)		(55,042)	

These financial instruments are exposed to fair value interest rate risk. Deposits held and loans received by the Group are at floating interest rates.

Equity price risk

The Group is subject to equity price risk due to daily changes in the market value of its holdings of quoted shares. Equity price risk is actively managed by the Board of Directors using the investment policy which is approved periodically by the Board of Directors. All of its investments are approved in advance by the Board of Directors.

The following table provides an analysis of investments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable.

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

NOTES TO THE FINANCIAL STATEMENTS *continued*

29. RISK MANAGEMENT *continued*

(d) Market risk *continued*

Equity price risk *continued*

Investments 2022	**Level 1 €000s**	**Level 2 €000s**	**Level 3 €000s**	**Total €000s**
Investments – AFS	96,894	-	-	**96,894**
Investments – held-to-maturity	-	-	21,075	**21,075**
Investments – FVTPL	23,766	-	23,141	**46,907**
	120,660	-	44,216	**164,876**

Investments 2021	**Level 1 €000s**	**Level 2 €000s**	**Level 3 €000s**	**Total €000s**
Investments – AFS	65,241	-	-	65,241
Investments – held-to-maturity	-	-	21,075	21,075
Investments – FVTPL	25,528	-	20,209	45,737
	90,769	-	41,284	132,053

The values attributable to the unquoted investments are derived from a number of valuation techniques. Funds totalling €16.341m (2021: €14.659m) are valued using net asset values at 31 December 2022 provided by the fund administrators. The remaining investments were valued at €6.800m (2021: €5.550m) which the Directors considered to be the net realisable value of these investments at the reporting date.

Foreign currency risk

The Group holds investment assets and equities in foreign currencies hence exposure to exchange rate fluctuations arise. The Group is primarily exposed to sterling and US dollars. The Group regularly reviews the appropriate level of foreign currency exposure across its investments.

The carrying amount of the Group's foreign currency denominated monetary assets at the reporting date is as follows:

	2022	**2021**
	€000s	**€000s**
GBP	**1**	2
USD	**8,893**	7,297

(e) Credit risk

Credit risk is the risk of loss in the value of financial assets due to counterparties failing to meet all or part of their obligations. Financial assets are graded according to current credit ratings issued. All of the Group's bank deposits are with a financial institution which has a sovereign guarantee.

None of the investments are past due or impaired.

29. RISK MANAGEMENT *continued*

(e) Credit risk *continued*

The carrying amount of financial assets recorded in the Financial Statements represents the Group's maximum exposure to credit risk. The maximum credit risk which the Group is exposed to is detailed as follows:

	2022	2021
	€000s	€000s
Debtors	**11,640**	16,301
Cash	**34,928**	41,704
Investments – quoted	**23,766**	25,528
Investments – unquoted	**23,141**	20,209
Investments – available for sale	**96,894**	65,241
Investments – held-to-maturity	**21,075**	21,075
	211,444	190,058

(f) Concentration risk

Concentration risk is the risk of loss due to overdependence on a singular entity or category of business. At 31 December 2022, the Group had concentrated 71.6% (2021: 65.3%) of its investments in one company, FBD Holdings plc.

(g) Sensitivity analysis

The table below identifies the Group's key sensitivity factors. For each sensitivity test the impact of a change in a single factor is shown, with other assumptions left unchanged.

Sensitivity factor	Description of sensitivity factor applied
Interest rate	The impact of a change in the ECB benchmark reference interest rate by +/- 1%
Exchange rate movements	The impact of a change in foreign exchange rates by +/- 5%
Equity market values	The impact of a change in equity market values by +/- 10%
Property market values	The impact of a change in property market values by +/- 10%

The above sensitivity factors are applied with the following pre-tax impacts on profit and shareholders' funds at 31 December 2022 and at 31 December 2021:

		2022	2021
		€000s	€000s
Interest rate	1%	**(626)**	(550)
Interest rate	(1%)	**626**	550
FX rates	5%	**445**	365
FX rates	(5%)	**(445)**	(365)
Equity	10%	**12,052**	8,566
Equity	(10%)	**(12,052)**	(8,566)
Property	10%	**5,301**	5,372
Property	(10%)	**(5,301)**	(5,372)

NOTES TO THE FINANCIAL STATEMENTS *continued*

29. RISK MANAGEMENT *continued*

(g) Sensitivity analysis *continued*

Limitations of sensitivity analysis

The above table demonstrates the effect of a change in a key assumption while other assumptions remain unchanged. In reality, there is a correlation between the assumptions and other factors. It should also be noted that these sensitivities are non-linear, and larger or smaller impacts should not be interpolated or extrapolated from these results.

The sensitivity analysis do not take into consideration that the Group's assets are actively managed. Additionally, the financial position of the Group may vary at the time that any actual market movement occurs.

Other limitations in the above sensitivity analysis include the use of hypothetical market movements to demonstrate potential risk that only represent the Group's view of possible near-term market changes that cannot be predicted with any certainty and the assumption that all interest rates move in an identical fashion.

30. SUBSIDIARY COMPANIES

Direct Subsidiaries	Nature of Operations	Registered Office	% owned
Farmer Business Developments Assets Ltd (note i)	Investment trading company	Irish Farm Centre, Bluebell, Dublin 12.	100%
Farmer Business Developments Investments Ltd (note i)	Investment trading company	Irish Farm Centre, Bluebell, Dublin 12.	100%
Farmnom Ltd (note i)	Investment trading company	Irish Farm Centre, Bluebell, Dublin 12.	100%
PLL Property & Leisure Ltd (note i)	Property and Hotels	Citywest Business Centre, 3013 Lake Drive, Citywest, Dublin 24.	100%
Bulberry Properties Ltd	Property Development and Investment	1 Castlewood Avenue Rathmines, Dublin 6.	61%
Hawridge Properties Ltd	Property Development and Investment	1 Castlewood Avenue Rathmines, Dublin 6.	61%

Note (i) Guarantees

Farmer Business Developments plc's 100% Irish subsidiaries (noted above) are exempt from filing their financial statements in the Companies Office with their annual returns, as required by Section 347 and 348 of the Companies Act 2014, because, in accordance with Section 357 of that Act, Farmer Business Developments plc, the parent Company, has guaranteed all amounts shown as liabilities in the statutory financial statements of these subsidiaries for the financial year ended 31 December 2022.

31. INVESTMENT COMMITMENTS

The Board of Directors have committed to further investment of €8.996m (2021: €9.124m) which has yet to be drawn down.

32. CONTINGENT LIABILITIES

There were no contingent liabilities at 31 December 2022 or 31 December 2021.

33. SUBSEQUENT EVENTS

In April 2023, the Group refinanced its existing loan facilities with Allied Irish Bank. The new facilities with Allied Irish Bank mature in 2028 with €1.5m of capital repayments due in the financial year ended 31 December 2023.

34. COMPARATIVE FIGURES

Comparative figures have been reclassified where necessary to ensure consistency with current year presentation.

35. RELATED PARTY TRANSACTIONS

As detailed in note 14, the Group has a 23.97% (2021: 24.2%) shareholding in FBD Holdings plc. During 2021, the Company purchased an additional €1m Loan Notes issued by FBD Holdings plc and at 31 December 2022 holds a total of €21m Loan Notes with a carrying value of €21.075m (note 15). The Loan Notes carry an interest rate of 5%. The Group received interest of €1.05m (2021: €1.04m) on the Loan Notes. Accrued interest of €0.239m on the loan has been included in Debtors (note 20).

The Company is availing of the exemption available in FRS102 Section 33.1(A) not to disclose transactions with its wholly owned subsidiaries.

There are transactions with Directors in the normal course of business with the hotels, however, these are not material.

For the purposes of the disclosure requirement of FRS102, the term "key management personnel" (i.e. those persons having authority and responsibility for planning, directing and controlling the activities of the Group) comprises of the Board of Directors, Company Secretary and senior management of FBD Hotel & Resorts Group and Bulberry Properties Group.

During 2022, a key management personnel ("KMP") entered into a property transaction with a Group company amounting to €318,000. No amounts were owing from the KMP in respect of this purchase at year end.

The remuneration of key management personnel ("KMP") charged to the Consolidated Income Statement was as follows:

	2022	2021
	€000s	€000s
Short term employee benefits	**1,230**	1,108
Amounts payable under long term incentive plans	**368**	339
Post-employment benefits	**48**	46
	1,646	1,493

NOTES TO THE FINANCIAL STATEMENTS *continued*

36. BUSINESS COMBINATIONS - GROUP

On 1 April 2022, the Group acquired control of Killashee Hotel, Naas, Co. Kildare costing €25m plus stamp duty, tax and professional fees.

The following table summarises the consideration paid by the Company, the fair value of the assets acquired, and liabilities assumed at the acquisition date.

Consideration at 1 April 2022:	**€000s**
Cash	25,567
Directly attributable costs	342
Total consideration	**25,909**

For cashflow disclosure purposes the amounts are disclosed as follows:	**€000s**
Cash	25,567
Directly attributable costs	342
Less: Cash and cash equivalents acquired	(17)
Net cash outflow	**25,892**

Recognised amounts of identifiable assets acquired and liabilities assumed:	**Fair value**
	€000s
Fixed assets	27,119
Cash and cash equivalents	17
Inventories	112
Trade and other receivables	84
Trade and other payables	(1,423)
Total identifiable net assets	25,909
Goodwill	-
	25,909

The revenue from Killashee hotel included in the Consolidated Statement of Comprehensive Income for 2022 was €12.54m.

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting of the Company will be held in The Irish Farm Centre, Bluebell, Dublin 12, at 12 noon on Friday 09 June 2023 for the following purposes:

AS ORDINARY BUSINESS

1 To consider the Directors' Report, Auditors' Report and Financial Statements for the year ended 31 December 2022, and to review the Company's affairs.

2 To confirm a dividend on the 14% non-cumulative preference shares.

3 To confirm a dividend on the 11% non-cumulative preference shares.

4 To declare a dividend of 9 cents on the ordinary shares.

5 By separate resolutions, to elect the following persons as Directors:

(a) Mr Pat Murphy, Smithstown, Maddoxtown, County Kilkenny.

(b) Mr Michael Kennedy, Killyloughnane, Nenagh, County Tipperary.

6 To approve the remuneration of the Directors.

7 To authorise the Directors to fix the remuneration of the auditors.

AS SPECIAL BUSINESS

8 To consider and, if thought fit, pass the following resolution as a special resolution, relating to the off-market purchase of shares in accordance with Part 3 and Chapter 5 of Part 17 of the Companies Act 2014:

"That in accordance with the provisions of clause 3(j) of the Articles of Association of the Company and the provisions of the Companies Act, 2014 relating to the acquisition by a company of its own shares, the Company be authorised to enter into a share purchase scheme providing an option to the ordinary shareholders to sell ordinary shares in the capital of the Company back to the Company subject to the terms of a contract of purchase, which terms are set out in the copy of the proposed contract produced to this meeting and for the purpose of identification signed by the Chairperson hereof and that the shares be cancelled following the purchase and further that the Directors be authorised to enter into said contract on behalf of the Company; in addition that the Directors be authorised in their absolute discretion to approve the purchase of further lot(s) of shares on behalf of the Company up to a total of 150,000 shares in the period from the closing of the share purchase scheme until the 2024 Annual General Meeting and that the shares be cancelled following the purchase."

9 To consider and if thought fit, pass the following resolution as a special resolution to facilitate the sale of treasury shares:

"That for the purposes of Section 109 of the Companies Act 2014, the reissue price at which Treasury Shares for the time being held by the Company, or any subsidiary of the Company, may be re-issued off-market shall be €1.91."

10 To consider and, if thought fit, pass the following resolution as a special resolution, relating to the appointment by member Co-operative Societies of at least one female Director:

"That paragraph (a) of Article 94 of the Articles of Association of the Company be amended to read as follows:

'Societies registered under the Industrial and Provident Societies Acts, 1893 to 1913 or any Act amending the same which are holders of shares in the capital of the Company shall together be entitled at any time and from time to time to appoint any person to be a Director of the Company, but so that not more than six persons shall at one time hold office by virtue of appointment under this Article following the AGM in 2016, five following the AGM in 2017, four following the AGM in 2019 and (subject as hereinafter mentioned) to determine the period for which such person is to hold office and to remove any such person from office, provided that at least one of

NOTICE OF ANNUAL GENERAL MEETING *continued*

the four Directors shall be female and further provided that such maximum shall be reduced accordingly on the appointment by the board of Directors at any time of a maximum of two Independent Non-Executive Directors as additional Directors in accordance with Article 98 hereof.'"

BY ORDER OF THE BOARD

Bryan Barry
Company Secretary
Farmer Business Developments plc

Registered Office:
Irish Farm Centre,
Bluebell,
Dublin 12

11 May 2023

NOTES FOR SHAREHOLDERS

APPOINTMENT OF PROXIES

- Every member entitled to attend and vote at the meeting is entitled to appoint a proxy or proxies to attend, speak and vote instead of him/her. A proxy need not be a member of the Company. A form to be used for appointing a proxy is enclosed.
- To be valid this proxy form must be completed, signed and returned to reach the registrars of the Company, by post to, Link Registrars Limited, P.O. Box 7117, Dublin 2, Ireland or by hand (during normal business hours) to Link Registrars Limited, 149 The Capel Building, Mary's Abbey, Dublin 7, D07 DP79 or the registered office of the Company at The Irish Farm Centre, Bluebell, Dublin 12, not less than forty-eight hours before the time of the meeting.

NOMINATION OF DIRECTORS

- No person other than a Director retiring at the meeting shall, unless recommended by the Directors, be eligible for election to the office of Director at any general meeting unless, not more than three months following the financial year end there shall have been left at the registered office notice in writing signed by a member duly qualified to attend and vote at the meeting for which such notice is given, of his/her intention to propose such person for election and also notice in writing signed by that person of his/her willingness to be elected.

SHAREHOLDERS' ENTITLEMENT TO ATTEND AND VOTE

- An ordinary share shall confer on the holder thereof the right to receive notice of, attend and vote at general meetings of the Company.
- An 11% preference share shall confer on the holder thereof the right to receive notice of, attend and vote at general meetings of the Company.
- A 14% preference share shall not confer on the holder thereof the right to receive notice of, or to attend or vote at general meetings of the Company.

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Dublin 12
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