

RIVERTY SERVICES IRELAND LIMITED

**DIRECTORS' REPORT
AND
AUDITED FINANCIAL STATEMENTS**

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

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DIRECTORS AND OTHER INFORMATION

Directors	Alan McMahon Gillian Semple
Company Secretary	Alan McMahon
Company Number	628274
Registered Office	Talent Garden Building Claremont Avenue Glasnevin Dublin D11 YNR2
Independent Auditors	KPMG 1 Stokes Place St Stephen's Green Dublin 2 D02 DE03
Bankers	Deutsche Bank AG Gutersloh Stohlmannplatz 2 33330 Gütersloh Germany

DIRECTORS' REPORT

The directors present their report and the audited financial statements for the financial year ended 31 December 2024 for Riverty Services Ireland Limited (the "Company").

Statement of directors' responsibilities in respect of the directors' report and the financial statements

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

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland, including Section 1A.

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 and of its profit or loss for that year.

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

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and

The directors are responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the assets, liabilities, financial position and profit or loss of the Company and enable them to ensure that the financial statements are prepared in accordance with the applicable accounting framework and comply with the provisions of the Companies Act 2014. They are responsible for such internal controls as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities. The directors are also responsible for preparing a directors' report that complies with the requirements of the Companies Act 2014.

Principal activities and business review

The employed staff provide support services for different businesses in other group companies, including providing HR Systems support & training, and the Company provides these services under an inter group "cost plus" arrangement.

Principal risk and uncertainties

The Company provides services under an inter group "cost plus" arrangement. The Directors do not expect there to be any changes to this arrangement going forward and as such consider there to be no significant risks or uncertainties facing the company.

DIRECTORS' REPORT - continued

Accounting records

The measures taken by the directors to secure compliance with the company's obligation to keep adequate accounting records are the use of appropriate systems and procedures and employment of competent persons. The company's accounting records are kept at Bertelsmann Global Business Services GmbH, Ringstr. 16-20, 33378 Rheda-Wiedenbrück, Germany.

Results and dividends

The statement of profit and loss and other comprehensive income is set out on page 10 and shows a profit before taxation for the financial period of €49,098 (2023: Loss before taxation of €9,381).

No dividend was paid during the financial period and no dividend has been proposed by the Directors.

Research and development

The company did not incur any research and development expenditure during the year.

Branches

The company did not hold any interest in foreign branches at the year end.

Political contributions

Political contributions are required to be disclosed under the Electoral Act 1997. The Directors, on enquiry have satisfied themselves that no such donations have been made by the Company during the financial year ended 31 December 2024.

Going Concern

In considering the going concern of the company, the directors have considered the fact that the company shows net liabilities on the statement of financial position on page 11. The net liabilities position arises principally due to significant intercompany liabilities. Bertelsmann SE & Co. KGaA, the Company's ultimate parent undertaking has confirmed it and will continue to provide financial support for a period of at least 12 months from the date of directors' approval of these financial statements. The company has received a letter of support from Bertelsmann SE & Co. KGaA in this regard. Accordingly, the directors of the company are satisfied that adequate financing will be available to enable the company to meet its liabilities as they fall due for the foreseeable future and consequently that it is appropriate to prepare the financial statements on a going concern basis.

Post balance sheet events

There were no significant post balance sheet events identified requiring disclosure prior to the approval of the financial statements.

Directors and secretary and their interests

The names of the persons who were Directors at any time during the financial year ended 31 December 2024 and subsequently are set out below

Alan McMahon

Gillian Semple

DIRECTORS' REPORT – continued

Directors and secretary and their interests - continued

The directors and secretary who held office at 31 December 2024 hold no interests in the shares, debentures or loan stock of the Company or group companies at 31 December 2023 and 31 December 2024.

Disclosure of information to the auditor

The directors in office at the date of this report have each confirmed that:

- as for as he/she is aware, there is no relevant audit information of which the company's statutory auditor is unaware; and
- he/she has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware if any relevant audit information and to establish that the company's statutory auditor is aware of that information.

Independent auditor

In accordance with Section 383(2) of the Companies Act 2014, the auditor, KPMG, Chartered Accountants will continue in office.

On behalf of the Board

alan McMahon

alan McMahon (Dec 4, 2025 11:33:04 GMT)

Gillian Semple

Gillian Semple (Dec 4, 2025 11:13:24 GMT)

Alan McMahon

Director

04/12/2025

Gillian Semple

Director

04/12/2025



KPMG

Audit
1 Stokes Place
St. Stephen's Green
Dublin 2
D02 DE03
Ireland

Independent Auditor's Report to the Members of Riverty Services Ireland Limited

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Riverty Services Ireland Limited ('the Company') for the year ended 31 December 2024 set out on pages 10 to 28, which comprise the statement of profit and loss and other comprehensive income, the statement of financial position and related notes, including the summary of significant accounting policies set out in note 3.

The financial reporting framework that has been applied in their preparation is Irish Law and FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland issued in the United Kingdom by the Financial Reporting Council, including its Section 1A.

In our opinion:

- the financial statements give a true and fair view of the assets, liabilities and financial position of the Company as at 31 December 2024 and of its profit for the year then ended;
- the financial statements have been properly prepared in accordance with FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*, including its Section 1A; and
- the financial statements have been properly prepared in accordance with the requirements of the Companies Act 2014.

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 further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with ethical requirements that are relevant to our audit of financial statements in Ireland, including the Ethical Standard issued by the Irish Auditing and Accounting Supervisory Authority (IAASA), and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from the date 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.



Independent Auditor's Report to the Members of Riverty Services Ireland Limited
(continued)

Report on the audit of the financial statements (continued)

Other information

The directors are responsible for the other information presented in the Annual Report together with the financial statements. The other information comprises the information included in the directors' report. The financial statements and our auditor's report thereon do not comprise part of the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work we have not identified material misstatements in the other information.

Based solely on our work on the other information undertaken during the course of the audit, we report that:

- we have not identified material misstatements in the directors' report;
- in our opinion, the information given in the directors' report is consistent with the financial statements; and
- in our opinion, those parts of the directors' report specified for our review, which does not include sustainability reporting when required by Part 28 of the Companies Act 2014, have been prepared in accordance with the Companies Act 2014.

Our opinions on other matters prescribed by the Companies Act 2014 are unmodified

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 Company were sufficient to permit the financial statements to be readily and properly audited and the financial statements are in agreement with the accounting records.

Matters on which we are required to report by exception

The Companies Act 2014 requires us to report to you if, in our opinion, the disclosures of directors' remuneration and transactions required by Sections 305 to 312 of the Act are not made. We have nothing to report in this regard.

Respective responsibilities and restrictions on use

Responsibilities of directors for the financial statements

As explained more fully in the directors' responsibilities statement set out on page 4, the directors are responsible for: the preparation of the financial statements including being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.



Independent Auditor's Report to the Members of Riverty Services Ireland Limited
(continued)

Report on the audit of the financial statements (continued)

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 fuller description of our responsibilities is provided on IAASA's website at <https://iaasa.ie/publications/description-of-the-auditors-responsibilities-for-the-audit-of-the-financial-statements/>.

The purpose of our audit work and to whom we owe our responsibilities

Our 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.

9 February 2026

David Moran
for and on behalf of
KPMG
Chartered Accountants, Statutory Audit Firm
1 Stokes Place
St. Stephen's Green
Dublin 2
D02 DE03

STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED
31 DECEMBER 2024

	Notes	2024 €	2023 €
Turnover	5	1,121,363	781,368
Administrative Expenses		<u>(1,047,070)</u>	<u>(765,568)</u>
Operating profit	6	74,293	15,800
Interest payable and similar expenses	8	<u>(25,195)</u>	<u>(25,181)</u>
(Loss)/profit before taxation		49,098	(9,381)
Taxation	9	<u>9,478</u>	<u>317</u>
(Loss)/profit for the financial year		<u>58,576</u>	<u>(9,064)</u>
Other comprehensive income for the financial year		<u>-</u>	<u>-</u>
Total comprehensive (loss)/profit for the financial year		<u><u>58,576</u></u>	<u><u>(9,064)</u></u>

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2024

	Notes	2024 €	2023 €
Fixed assets			
Tangible assets	10	3,366	2,919
Total non-current assets		3,366	2,919
Current assets			
Debtors	11	74,564	114,413
Total current assets		74,564	114,413
Creditors: amounts falling due within one year	12	(350,421)	(448,399)
Net current liabilities		(275,857)	(333,986)
Net liabilities		(272,491)	(331,067)
Capital and reserves			
Called-up share capital presented as equity	15	1	1
Accumulated loss		(272,492)	(331,068)
Total Shareholder's deficit		(272,491)	(331,067)

The notes to the financial statements on pages 13-28 form an integral part of the financial statements.

On behalf of the Board

alan McMahon

[alan McMahon \(Dec 4, 2025 11:33:04 GMT\)](#)

Alan McMahon

Director

Gillian Semple

[Gillian Semple \(Dec 4, 2025 11:13:24 GMT\)](#)

Gillian Semple

Director

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

	Share capital	Accumulated	Total equity
	€	€	€
Balance as at 01 January 2024	1	(331,068)	(331,067)
Total comprehensive profit for the year	-	58,576	58,576
Balance as at 31 December 2024	1	(272,492)	(272,491)
Balance as at 01 January 2023	1	(322,005)	(322,004)
Total comprehensive loss for the year	-	(9,063)	(9,063)
Balance as at 31 December 2023	1	(331,068)	(331,067)

The notes to the financial statement on pages 13-28 form an integral part of the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

1 General information

Riverty Services Ireland Limited ('the company') provides support services for different businesses in other group companies.

Riverty Services Ireland Limited is incorporated as a company limited by shares in the Republic of Ireland, under the registered number 628274. The address of its registered office is Talent Garden Building, Claremont Avenue, Glasnevin, Dublin, D11 YNR2

Bertelsmann SE & Co. KGaA owns 100 % of the equity share capital of Riverty Services Ireland Limited.

Riverty Services Ireland Limited's ultimate parent and ultimate controlling party is Bertelsmann SE & Co. KGaA. Bertelsmann SE & Co. KGaA prepares group financial statements and is both the smallest and largest group for which group financial statements are drawn up and of which Riverty Services Ireland Limited is a member. Copies of the Bertelsmann SE & Co. KGaA group financial statements are available to the public from the corporate headquarters, Bertelsmann SE & Co. KGaA, at Carl-Bertelsmann-Strasse, Guetersloh, Germany.

These financial statements are the company's separate financial statements for the financial year 2024.

2 Statement of compliance

These financial statements were prepared in accordance with the provisions of Section 1A 'Small Entities' of Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic or Ireland ("FRS 102"). There has been no material departure from that standard. The functional currency of the company and the presentation currency of these financial statements is Euro. All amounts in the financial statements have been rounded to the nearest €.

3 Summary of significant accounting policies

The significant accounting policies used in the preparation of the entity financial statements are set out below:

(a) Basis of preparation

The entity financial statements have been prepared under the historical cost convention.

The preparation of financial statements in conformity with FRS 102 Section 1A requires the use of certain key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the financial year. It also requires the directors to exercise its judgement in the process of applying the company's accounting policies. These areas involving a higher degree of judgement or areas of where assumptions and estimates have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are disclosed in note 4.

NOTES TO THE FINANCIAL STATEMENTS – continued

3 Summary of significant accounting policies (continued)

(b) Going concern

The company meets its day-to-day working capital requirements through its bank facilities and intercompany loans.

In considering the going concern of the company the directors have considered the fact that the company shows net liabilities on the statement of financial position on page 11. The net liabilities position arises principally due to significant intercompany liabilities. Bertelsmann SE & Co. KGaA, ultimate parent undertaking will continue to provide financial support for a period of at least 12 months from the date of directors' approval of these financial statements. The company has received a letter of support from Bertelsmann SE & Co. KGaA in this regard. Accordingly, the directors of the company are satisfied that adequate financing will be available to enable the company to meet its liabilities as they fall due for the foreseeable future and consequently that it is appropriate to prepare the financial statements on a going concern basis.

(c) Disclosure exemptions under FRS 102

The company has availed of the exemption contained in Section 1A of FRS 102 and as a result have elected not to prepare a cash flow statement or its related notes.

(d) Foreign currency

(i) Functional and presentation currency

The financial statements are presented in Euro denoted by the symbol "€", which is the Company's functional and presentational currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At the end of each financial year foreign currency monetary items are translated to Euro using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of transaction.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at exchange rates at the end of the financial year of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of comprehensive income.

NOTES TO THE FINANCIAL STATEMENTS – continued

3 Summary of significant accounting policies (continued)

(e) Revenue

(i) Turnover

Turnover is the amount of revenue derived from the provision of goods and services falling within the company's ordinary activities after deduction of trade discounts and value-added tax. For Riverty Services Ireland Limited turnover comprises revenue arising from the provision of support services.

Turnover is measured at the fair value of the consideration received or receivable and represents the amount receivable for services rendered, net of discounts and value added taxes.

The company recognises turnover when (a) the significant risks and rewards of ownership of the goods have been transferred to the buyer; (b) the company retains no continuing managerial involvement or effective control over the goods; (c) the amount of turnover and costs can be measured reliably; (d) it is probable that future economic benefits will flow to the entity and (e) when the specific criteria relating to each of the company's sales channels has been met, as described below.

Sale of services

Turnover is recognised in the financial year in which the services are rendered and when the outcome of the contract can be estimated reliably.

(f) Employee benefits

The company provides a range of benefits to employees, including short-term employee benefits, such as annual bonus arrangements and paid holiday arrangements, and post-employment benefits (in the form of defined contribution pension plans).

(i) Short-term employee benefits

Short-term employee benefits, including wages and salaries, paid holiday arrangements and other similar non-monetary benefits, are recognised as an expense in the financial year in which employees render the related service. The company operates an annual bonus plan for employees. An expense is recognised in the statement of comprehensive income when the company has a present legal or constructive obligation to make payments under the plan as a result of past events and a reliable estimate of the obligation can be made.

(ii) Post-employment benefits

Defined contribution plan

The company operates a defined contribution plan for certain employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity and has no legal or constructive obligation to pay further contributions or to make direct benefit payments to employees if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods. The assets of the plan are held separately from the company in independently administered funds. The contributions to the defined contribution plan are recognised as an expense when employees render related services. Amounts not paid are included in accruals in the statement of financial position.

NOTES TO THE FINANCIAL STATEMENTS – continued

3 Summary of significant accounting policies (continued)

(g) Income tax

Income tax expense for the financial year comprises current and deferred tax recognised in the financial year. Income tax expense is presented in the same component of total comprehensive income (profit and loss or other comprehensive income) or equity as the transaction or other event that resulted in the income tax expense.

Current or deferred tax assets and liabilities are not discounted.

(i) Current tax

Current tax is the amount of income tax payable in respect of the taxable profit for the financial year or past financial years. Current tax is measured at the amount of current tax that is expected to be paid using tax rates and laws that have been enacted or substantively enacted by the end of the financial year.

(ii) Deferred tax

Deferred tax is recognised in respect of timing differences, which are differences between taxable profits and total comprehensive income as stated in the financial statements. These timing differences arise from the inclusion of income and expenses in tax assessments in financial years different from those in which they are recognised in financial statements.

Deferred tax is recognised on all timing differences at the end of each financial year with certain exceptions. Deferred tax assets arising on unrelieved tax losses and other deferred tax assets are recognised only when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the end of each financial year end and that are expected to apply to the reversal of the timing difference.

(h) Tangible assets

Tangible assets are carried at cost less accumulated depreciation and accumulated impairment losses. Cost includes the original purchase price, costs directly attributable to bringing the asset to the location and condition necessary for its intended use, applicable dismantling, removal and restoration costs and borrowing costs capitalised.

(i) Fixtures, fittings and equipment

Fixtures, fittings and equipment are carried at cost less accumulated depreciation and accumulated impairment losses.

(ii) Depreciation and residual values

Depreciation on assets is calculated, using the straight-line method over their estimated useful lives, as follows:

Fixtures, fittings and equipment 3 to 8 years

NOTES TO THE FINANCIAL STATEMENTS – continued

3 Summary of significant accounting policies (continued)

(h) Tangible assets (continued)

(ii) Depreciation and residual values (continued)

The assets' residual values and useful lives are reviewed, and adjusted, if appropriate, at the end of each financial year. The effect of any change in either residual values or useful lives is accounted for prospectively.

(iii) Subsequent additions and major components

Subsequent costs, including major inspections, are included in the assets' carrying amount or recognised as a separate asset, as appropriate, only when it is probable that economic benefits associated with the item will flow to the company and the cost can be measured reliably.

The carrying amount of any replaced component is derecognised. Major components are treated as separate assets where they have significantly different patterns of consumption of economic benefits and are depreciated separately over their useful lives.

Repairs, maintenance and minor inspection costs are expensed as incurred.

(iv) Derecognition

Tangible assets are derecognised on disposal or when no future economic benefits are expected. On disposal, the difference between the net disposal proceeds and the carrying amount is recognised in profit or loss.

(i) Leased assets

(i) Operating leases

Operating leases do not transfer substantially all the risk and rewards of ownership to the lessee. Payments under operating leases are recognised in the profit and loss account on a straight-line basis over the term of the lease.

(ii) Lease incentives

Incentives received to enter into an operating lease are recognised as a reduction of the operating lease expense on a straight-line basis over the term of the lease.

(j) Impairment of non-financial assets

At the end of each financial year non-financial assets not carried at fair value are assessed to determine whether there is an indication that the asset (or asset's cash-generating unit) may be impaired. If there is such an indication the recoverable amount of the asset (or asset's cash-generating unit) is estimated.

The recoverable amount of the asset (or cash-generating unit) is the higher of its fair value less costs to sell and its value in use. Value in use is the present value of the estimated future cash flows expected to be derived from continuing use of the asset (or cash-generating unit) and from its ultimate disposal. In measuring value in use estimated cash flows before interest are

NOTES TO THE FINANCIAL STATEMENTS – continued

3 Summary of significant accounting policies (continued)

(j) Impairment of non-financial assets (continued)

discounted using a pre-tax discount rate that represents the current risk-free market rate and the risks specific to the asset for which the future cash flow estimates have not been adjusted.

If the recoverable amount of the asset (or cash-generating unit) is less than the carrying amount of the asset (or cash-generating unit) the carrying amount is reduced to its recoverable amount. An impairment loss is recognised in profit or loss, unless the asset has been revalued. If the asset has been revalued the impairment loss is recognised in other comprehensive income to the extent of the revaluation gains accumulated in equity in respect of that asset. Thereafter any excess is recognised in profit or loss.

If an impairment loss reverses (the reasons for the impairment loss have ceased to apply), the carrying amount of the asset (or asset's cash-generating unit) is increased to the revised estimate of its recoverable amount, but only to the extent that the revised carrying amount does not exceed the carrying amount that would have been determined (net of depreciation) had no impairment loss been recognised in prior financial years. A reversal of an impairment loss is recognised in the profit and loss account, unless the asset is carried at a revalued amount.

(k) Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks and other short-term highly liquid investments with original maturities of three months or less. Bank overdrafts are shown within borrowings in current liabilities. Cash and cash equivalents are initially measured at transaction price and subsequently measured at amortised cost.

(l) Provisions and contingencies

(i) Provisions

Provisions are liabilities of uncertain timing or amount.

Provisions are recognised when the company has a present legal or constructive obligation as a result of past events, it is probable that a transfer of economic benefits will be required to settle the obligation and the amount of the obligation can be estimated reliably.

Provisions are measured at the present value of the best estimate of the amount required to settle the obligation, discounted using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Provisions are reviewed at the end of each financial year and adjusted to reflect the current best estimate of the amount required to settle the obligation. The unwinding of the discount is recognised as a finance cost in profit or loss, presented as part of 'interest payable and similar expenses' in the financial year in which it arises.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole.

NOTES TO THE FINANCIAL STATEMENTS – continued

3 Summary of significant accounting policies (continued)

(I) Provisions and contingencies (continued)

(i) Provisions (continued)

In particular:

(i) Restructuring provisions are recognised when the company has a legal or constructive obligation at the end of the financial year to carry out the restructuring. The company has a constructive obligation to carry out a restructuring when there is a detailed, formal plan for the restructuring and the company has raised a valid expectation in those affected by either starting to implement the plan or announcing its main features to those affected; and

(ii) Provision is not made for future operating losses.

(ii) Contingencies

Contingent liabilities, arising as a result of past events, are not recognised as a liability because it is not probable that the company will be required to transfer economic benefits in settlement of the obligation or the amount cannot be reliably measured at the end of the financial year. Possible but uncertain obligations are not recognised as liabilities but are contingent liabilities. Contingent liabilities are disclosed in the financial statements unless the probability of an outflow of resources is remote.

Contingent assets are not recognised. Contingent assets are disclosed in the financial statements when an inflow of economic benefits is probable.

(m) Share capital presented as equity

Equity shares issued are recognised at the proceeds received and presented as share capital and share premium. Incremental costs directly attributable to the issue of new equity shares or options are shown in equity as a deduction, net of tax, from the proceeds.

(n) Distributions to equity shareholders

Dividends and other distributions to the company's equity shareholders are recognised as a liability in the financial statements in the financial year in which the dividends and other distributions are approved by the company's shareholders.

(o) Financial instruments

The company has chosen to apply the provisions of Sections 11 and 12 of FRS 102 to account for all of its financial instruments.

(i) Financial assets

Basic financial assets, including trade and other debtors, cash and cash equivalents, short-term deposits and investments in corporate bonds, are initially recognised at transaction price (including transaction costs), unless the arrangement constitutes a financing transaction. Where the arrangement constitutes a financing transaction the resulting financial asset is initially measured at the present value of the future receipts discounted at a market rate of interest for a similar debt instrument.

Trade and other debtors, cash and cash equivalents, investments in corporate bonds and financial assets from arrangements which constitute financing transactions are subsequently measured at amortised cost using the effective interest method.

NOTES TO THE FINANCIAL STATEMENTS – continued

3 Summary of significant accounting policies (continued)

(o) Financial instruments (continued)

(i) Financial assets (continued)

At the end of each financial year financial assets measured at amortised cost are assessed for objective evidence of impairment. If there is objective evidence that a financial asset measured at amortised cost is impaired an impairment loss is recognised in profit or loss. The impairment loss is the difference between the financial asset's carrying amount and the present value of the financial asset's estimated cash inflows discounted at the asset's original effective interest rate.

If, in a subsequent financial year, the amount of an impairment loss decreases and the decrease can be objectively related to an event occurring after the impairment was recognised the previously recognised impairment loss is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment loss not previously been recognised. The impairment reversal is recognised in profit or loss.

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price.

Such financial assets are subsequently measured at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are subsequently measured at cost less impairment.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of ownership of the financial asset are transferred to another party or (c) control of the financial asset has been transferred to another party who has the practical ability to unilaterally sell the financial asset to an unrelated third party without imposing additional restrictions.

(ii) Financial liabilities

Basic financial liabilities, including trade and other creditors, bank loans, loans from fellow group companies and preference shares, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction. Where the arrangement constitutes a financing transaction the resulting financial liability is initially measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Trade and other creditors, bank loans, loans from fellow group companies, preference shares and financial liabilities from arrangements which constitute financing transactions are subsequently carried at amortised cost, using the effective interest method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In

NOTES TO THE FINANCIAL STATEMENTS – continued

3 Summary of significant accounting policies (continued)

(o) Financial instruments (continued)

(ii) Financial liabilities (continued)

this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is treated as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Preference shares, which result in fixed returns to the holder or are mandatorily redeemable on a specific date, are classified as financial liabilities. The dividends on these preference shares are recognised in profit or loss within 'interest payable and similar charges'.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

(iii) Derivates

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments.

Derivatives are initially recognised at fair value on the date the derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or income as appropriate.

The company does not apply hedge accounting for interest rate swaps or forward foreign exchange contracts.

(iv) Offsetting

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

4 Critical accounting judgements and estimation uncertainty

Estimates and judgements made in the process of preparing the entity financial statements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

(a) Critical accounting estimates and assumptions

The directors make estimates and assumptions concerning the future in the process of preparing the entity financial statements. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

NOTES TO THE FINANCIAL STATEMENTS – continued

4 Critical accounting judgements and estimation uncertainty - continued*(i) Useful economic lives of tangible assets*

The annual depreciation on tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are reviewed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 10 for the carrying amount of the tangible assets and note 3(h) for the useful economic lives for each class of tangible assets.

(ii) Impairment of debtors and intercompany accounts

The directors make an assessment at the end of each financial year of whether there is objective evidence that a trade or other debtor and intercompany amount is impaired. When assessing impairment of trade and other debtors and intercompany amounts, the directors consider factors including the current credit rating of the debtor, the age profile of outstanding invoices, recent correspondence and trading activity, and historical experience of cash collections from the debtor. See note 11 for the net carrying amount of the debtors and intercompany amounts and the impairment loss recognised in the financial year.

5 Turnover

Analysis of turnover by geographical market

	2024	2023
	€	€
Ireland	21,300	21,300
Germany	1,100,063	760,068
Total	1,121,363	781,368

6 Operating profit

Operating profit is stated after charging

	2024	2023
	€	€
Depreciation	1,633	2,745
Operating lease expense	28,200	28,800
Total	29,833	31,545

NOTES TO THE FINANCIAL STATEMENTS – continued

6 Operating profit (continued)

Auditor’s remuneration

Remuneration (including expenses) for the statutory audit and other services carried out for the company by the company's auditor is as follows:

	2024	2023
	€	€
Audit of the financial statements	8,273	8,032
Total	8,273	8,032

7 Employee and directors

(i) Employees

The average number of persons employed by the company during the financial period was:

	2024	2023
Selling and administration	8	7

Staff costs comprise:

	2024	2023
	€	€
Wages and salaries	753,175	492,974
Insurance/social security contribution	102,631	95,179
Defined contribution scheme	50,957	35,680
Other personnel expenses	7,534	16,478
Total	914,297	640,311

NOTES TO THE FINANCIAL STATEMENTS – continued

7 Employees and directors - continued

(ii) Directors

	2024	2023
	€	€
Emoluments	196,662	172,228
Defined contribution scheme	11,448	10,800
Total	208,110	183,028

Retirement benefits are accruing to 1 director under a defined contribution scheme.

8 Interest payable and similar expenses

	2024	2023
	€	€
Intergroup cash pooling	25,195	25,181
	<u>25,195</u>	<u>25,181</u>

9 Taxation

	2024	2023
	€	€
Tax credit included in profit or loss		
Current tax:		
Irish corporation tax on (loss)/profit for the financial year	-	-
Adjustments in respect of prior financial years	(1,500)	317
Current tax credit for the financial year	(1,500)	317
Deferred tax:		
Origination and reversal of timing differences	-	-
Deferred tax expense for the financial year	6,391	-
Deferred tax expense for the previous period	4,587	-
Taxation	9,478	317

NOTES TO THE FINANCIAL STATEMENTS – continued

10 Tangible assets

	Fixtures, fittings and equipment	Total
	€	€
Cost		
At 1 January 2024	34,459	34,459
Additions:	2,080	2,080
At 31 December 2024	<u>36,539</u>	<u>36,539</u>
 Accumulated depreciation		
At 1 January 2024	31,540	31,540
Depreciation:	1,633	1,633
At 31 December 2024	<u>33,173</u>	<u>33,173</u>
 Net book amounts		
At 31 December 2024	<u>3,366</u>	<u>3,366</u>

11 Debtors

	2024	2023
	€	€
Amounts owed by group undertakings	27,538	81,637
VAT recoverable	-	1,942
Deferred tax	22,978	12,000
Corporation Tax	1,500	1,500
Other debtors	21,831	17,274
Prepaid Expense	717	60
Total	<u>74,564</u>	<u>114,413</u>

Amounts owed by group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

NOTES TO THE FINANCIAL STATEMENTS - continued

12 Creditors:

Amounts falling due within one year	2024	2023
	€	€
Trade creditors	6,799	24,122
Provisions and creditors	1,431	132
Amounts due to group undertakings	292,835	391,313
VAT payable	190	-
Accruals	16,305	8,032
PAYE, PRSI and other taxation	32,861	24,800
Total	350,421	448,399

Trade and other creditors are payable at various dates in the three months after the end of the financial period in accordance with the creditors usual and customary credit terms. Creditors for tax and social insurance are payable in the timeframe set down in the relevant legislation. Amounts due to group undertakings are unsecured, have no fixed date of repayment and are repayable on demand.

PAYE, PRSI and other taxation

PAYE, PRSI and other taxation comprise:

	2024	2023
	€	€
PAYE	18,208	13,415
PRSI	11,130	8,793
USC	3,523	2,592
	<u>32,861</u>	<u>24,800</u>

13 Deferred tax asset

The provision for deferred tax consists of the following deferred tax assets:

	2024	2023
	€	€
Loss carried forward	<u>22,978</u>	<u>12,000</u>

NOTES TO THE FINANCIAL STATEMENTS – continued

14 Financial instruments

The company has the following financial instruments:

	Notes	2024 €	2023 €
Financial assets at fair value through profit and loss		-	-
Financial assets that are debt instruments measured at amortised cost			
Trade debtors	11	-	-
Amounts owed by group companies	11	27,538	81,636
Other debtors	11	23,331	17,274
		<u>50,869</u>	<u>98,910</u>
Financial liabilities measured at fair value through profit or loss		-	-
Financial liabilities measured at amortised cost			
Trade creditors	12	6,799	24,122
Amounts owed to group companies	12	292,835	391,313
Other creditors	12	1,431	32
		<u>301,065</u>	<u>415,467</u>

15 Called-up share capital presented as equity

	2024 €	2023 €
Authorised		
As at 31 December:		
1 ordinary share of €1.00 each	<u>1</u>	<u>1</u>
Allotted and fully paid – presented as equity		
At 31 December:		
1 ordinary share of €1.00 each	<u>1</u>	<u>1</u>

There is a single class of equity shares. There are no restrictions on the distribution of dividends and the repayment of capital. All shares carry equal voting rights and rank for dividends to the extent to which the total amount on each share is paid up.

A description of each reserve within equity is outlined below:

Accumulated loss

Accumulated loss represents accumulated comprehensive losses.

NOTES TO THE FINANCIAL STATEMENTS – continued

16 Related party transactions

The Company has availed of the exemption available under FRS 102, Section 33.1A, from disclosing transactions with wholly owned undertakings in the group headed by Bertelsmann SE & Co. KGaA. Consolidated financial statements of Bertelsmann SE & Co. KGaA are available to the public as indicated in note 17.

17 Ultimate holding company and related party transactions

The company's immediate and ultimate parent company is Bertelsmann SE & Co. KGaA, a company incorporated in Germany. The largest and smallest group of undertakings for which group financial statements are drawn up and of which the Company is a member is Bertelsmann SE & Co. KGaA. Consolidated financial statements of Bertelsmann SE & Co. KGaA are available to the public from the corporate headquarters, Bertelsmann SE & Co. KGaA, at Carl Bertelsmann Strasse, Gutersloh, Germany.

18 Events since the end of the financial period

There have been no events between the Balance Sheet date and the date on which the financial statements were approved by the Board, which would require adjustment to the financial statements.

19 Approval of financial statements

The financial statements were approved by the board of directors on 04/12/2025 and were signed on its behalf on that date.