

KEARYS OF CORK UNLIMITED COMPANY

Annual Report

Financial Year Ended 28 February 2025

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DIRECTORS AND OTHER INFORMATION

Board of Directors at 11 December 2025

William Keary
Marian Keary
Brendan Keary

Solicitors

James Lucey & Sons
Kanturk
Co Cork

Secretary and Registered Office

Marian Keary
Kinsale Road Roundabout
Cork

Registered Number: 106534

Auditors

PricewaterhouseCoopers
Chartered Accountants and Statutory Audit Firm
One Albert Quay
Albert Quay
Cork

Bankers

Bank of Ireland
Douglas
Cork

Bank of Ireland Finance
Lower Baggot Street
Dublin 2

Allied Irish Banks plc
South Mall
Cork

AIB Finance
Bank Centre
Ballsbridge
Dublin 4

DIRECTORS' REPORT

The directors present their report and the audited financial statements of the company for the financial year ended 28 February 2025.

The financial statements relate to the financial year from 1 March 2024 to 28 February 2025 ("FY25"). The comparative financial statements relate to the financial year from 1 March 2023 to 29 February 2024 ("FY24").

Statement of directors' responsibilities

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

Under that law the directors have prepared the financial statements in accordance with Irish Generally Accepted Accounting Practice (accounting standards issued by the UK Financial Reporting Council, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* and Irish law).

Under Irish law, the directors shall not approve the financial statements unless they are satisfied that they give a true and fair view of the company's assets, liabilities and financial position as at the end of the financial year and the profit or loss of the company for the financial year.

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

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with applicable accounting standards and identify the standards in question, subject to any material departures from those standards being disclosed and explained in the notes to the financial statements; and
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to:

- correctly record and explain 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; and
- enable the directors to ensure that the financial statements comply with the Companies Act 2014 and enable those financial statements to be audited.

The directors 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.

Principal activities and review of the business

The company operates a franchise for the sale of new Hyundai and Nissan motor vehicles. Its operations also include the sale of used motor vehicles, supply of parts, and servicing of vehicles. In July 2024, the Nissan franchise was transferred to Keary Motors Limited, a fellow group undertaking. As a result, Kearys of Cork Unlimited Company traded without Nissan revenue for eight months of the financial year. This change led to a significant reduction in overall revenue compared to prior periods.

Results for the year

Turnover decreased to €52,642,050 in FY25 (2024: €66,447,408). Gross profit for the year amounted to €1,682,246 (2024: €2,991,611) and operating profit was €131,270 (2024: €851,922), reflecting higher costs and lower operating margins. Profit before taxation for the financial year of €16,750 (2024: €693,809).

The following EBITDA* was generated from operating activities during the financial year:

	Financial year ended 28 February 2025 €	Financial year ended 29 February 2024 €
*earnings before interest, tax, depreciation and amortisation		
Profit before taxation	16,750	693,809
Interest (note 8)	114,520	158,113
Depreciation (note 10)	364,613	352,332
EBITDA	<u>495,883</u>	<u>1,204,254</u>

DIRECTORS' REPORT - continued

Dividends/distributions

The directors declared dividends of €55,032 (2024: €43,266) in the 2025 financial year.

The directors paid a dividend of €55,032 (2024: €143,266) in the 2025 financial year and this is recognised in these financial statements (note 19). The dividend paid in FY24 included €100,000 which was declared but not paid in FY22; this was not a liability at FY22 and FY23 year-end but it was disclosed as a commitment at FY22 and FY23 year-end. This matter was settled in FY24.

Financial risk management

The company's activities expose it to a number of financial risks including credit risk, cash flow risk and liquidity risk. The company has budgetary and financial reporting procedures, supported by key performance indicators, to manage credit, liquidity and other financial risk.

Cash flow risk

The company's activities do not expose it to the financial risks of changes in foreign currency exchange rates. The group has no material foreign exchange risk and thus any price risk relating to foreign exchange is seen as being minimal.

The company has a clear focus on the controlling of overheads, together with the effective management of working capital and cash flow. Working with the group's banks, the directors believe that they will maintain the necessary existing facilities at a level to provide adequate funding of working capital for 2025/2026.

Credit risk

The company's principal financial assets are bank balances and trade & other receivables.

The company has no significant concentration of credit risk, with exposure spread over a wide number of counterparties and customers. Any credit risk is minimised by appropriate credit checks on potential customers being made prior to sales.

Liquidity risk

In order to maintain liquidity to ensure that sufficient funds are available for ongoing operations and future developments, the company uses a mixture of long-term and short-term debt finance. Liquidity risk is minimised by maintaining a strong level of bank balances offset by a mix of short term and long term debt. Cash is controlled by actively managing stock and debtor levels in order to minimise any cash flow risk.

Principal risks and uncertainties

The directors consider that the following are the principal risks and uncertainties that could materially affect the company's future operating profit or financial position.

- Geopolitical and economic risks: The performance of the motor industry in Ireland is exposed to the Irish economic environment and consumer sentiment. The market could decline due to lower consumer spend caused by external economic factors such as geopolitical risks, interest rates, inflation, etc. These factors could impact supply chains or lead to a more challenging business environment for the company, with a potential reduction in consumer spending.
- Climate related risks and related consumer behaviours: The changing pattern of weather conditions represents a challenge for the global economy as a whole. The automotive industry is responding as governments seek to encourage consumers to move towards more environmentally friendly vehicles.
- Competitor risk: The directors of the company manage competition through close attention to market research, benchmarking with competitors and recruitment of highly skilled professional staff.
- Financial risk: The company has budgetary and financial reporting procedures in place, supported by appropriate key performance indicators, to manage credit, liquidity and other financial risks.
- Used vehicles risk: The stability of used car values is important for the company. The company uses its management information systems and reporting procedures to monitor used car values.
- Cyber risk: Operations at the company's facilities could be interrupted due to the threat from cyber-attacks. We continue to invest in our IT systems to minimise the threat from cyber-attacks.

DIRECTORS' REPORT - continued

Going concern

After making all necessary enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Therefore, these financial statements have been prepared on a going concern basis. The directors' assessment of the company's going concern position is set out in note 3(b).

Directors and secretary

The names of the persons who are currently and were directors and secretary for the financial year ended 28 February 2025 and up to the date of this report are set out below. They served for the entire period.

Directors

William Keary
Marian Keary
Brendan Keary

Secretary

Marian Keary

Accounting records

The measures taken by the directors to secure compliance with the company's obligation to keep proper accounting records are the use of appropriate systems, procedures and employment of competent persons. The accounting records are kept at Kinsale Road Roundabout, Cork.

Political donations

The Electoral (Amendment) (Political Funding) Act 2012 requires companies to disclose all political donations over €200 in aggregate made during the financial year. The directors, on enquiry, have satisfied themselves that no such donations in excess of this amount have been made by the company.

Directors' and secretary's interests in shares

The beneficial interests, including family interests, of the directors and secretary of Kearys of Cork Unlimited Company in office at 28 February 2025 in the shares of Kearys of Cork Unlimited Company and other group undertakings of MRBP Motors Unlimited Company at 1 March 2024 (or date of appointment, if later) and 28 February 2025 were:

Directors	28 February 2025 Number of shares	1 March 2024 Number of shares
<i>MRBP Motors Unlimited Company</i>		
Ordinary shares of €0.01 each		
Brendan Keary	<u>38,335</u>	<u>38,335</u>
'B' ordinary shares of €0.01 each		
Brendan Keary	<u>1,415</u>	<u>1,415</u>
<i>SK Cosmetics Limited</i>		
Ordinary shares of €1 each		
Marian Keary	<u>1</u>	<u>1</u>

The directors and secretary had no other interests in the shares or debentures of the company or any other group company at 1 March 2024 and 28 February 2025.

Events since end of the financial year

The significant events affecting the company since the financial year end requiring disclosure in the financial statements are set out in note 22.

DIRECTORS' REPORT - continued

Disclosure of information to auditors

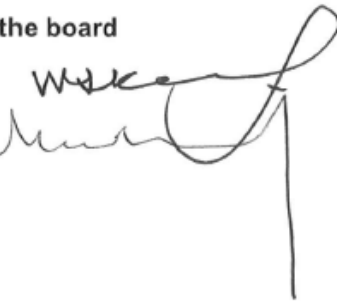
The directors in office at the date of this report have each confirmed that:

- As far as they are aware, there is no relevant audit information of which the company's auditors are unaware; and
- They have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information

On behalf of the board

William Keary

Marian Keary

Handwritten signatures of William Keary and Marian Keary. The signature for William Keary is written above the signature for Marian Keary. Both signatures are in black ink and are cursive in style.

11 December 2025



Independent auditors' report to the members of Kearys of Cork Unlimited Company

Report on the audit of the financial statements

Opinion

In our opinion, Kearys of Cork Unlimited Company's financial statements:

- give a true and fair view of the company's assets, liabilities and financial position as at 28 February 2025 and of its profit for the year then ended;
- have been properly prepared in accordance with Generally Accepted Accounting Practice in Ireland (accounting standards issued by the Financial Reporting Council of the UK, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and Irish law); and
- have been properly prepared in accordance with the requirements of the Companies Act 2014.

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

- the balance sheet as at 28 February 2025;
 - the profit and loss account for the year then ended;
 - the statement of changes in equity for the year then ended; and
 - the notes to the financial statements, which include a description of the accounting policies.
-

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) ("ISAs (Ireland)") and applicable law.

Our responsibilities under ISAs (Ireland) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

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

Conclusions relating to going concern

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

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

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

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

Reporting on other information

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

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

With respect to the Directors' Report, we also considered whether the disclosures required by the Companies Act 2014 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (Ireland) and the Companies Act 2014 require us to also report certain opinions and matters as described below:

- In our opinion, based on the work undertaken in the course of the audit, the information given in the Directors' Report for the year ended 28 February 2025 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.
- Based on our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the Directors' Report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of directors' responsibilities set out on page 3, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view.

The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the 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 company or to cease operations or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (Ireland) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

A further description of our responsibilities for the audit of the financial statements is located on the IAASA website at:

https://www.iaasa.ie/getmedia/b2389013-1cf6-458b-9b8f-a98202dc9c3a/Description_of_auditors_responsibilities_for_audit.pdf

This description forms part of our auditors' report.



Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with section 391 of the Companies Act 2014 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2014 opinions on other matters

- 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.
 - The financial statements are in agreement with the accounting records.
-

Other exception reporting

Directors' remuneration and transactions

Under the Companies Act 2014 we are required to report to you if, in our opinion, the disclosures of directors' remuneration and transactions specified by sections 305 to 312 of that Act have not been made. We have no exceptions to report arising from this responsibility.

Declan Maunsell

Declan Maunsell
for and on behalf of PricewaterhouseCoopers
Chartered Accountants and Statutory Audit Firm
Cork
12 December 2025

PROFIT AND LOSS ACCOUNT
For the financial year ended 28 February 2025

	Notes	Financial year ended 28 February 2025 €	Financial year ended 29 February 2024 €
Turnover	5	52,642,050	66,447,408
Cost of sales		<u>(50,959,804)</u>	<u>(63,455,797)</u>
Gross profit		1,682,246	2,991,611
Administration expenses		(1,498,289)	(2,028,527)
Distribution expenses		(237,200)	(292,422)
Other operating income		<u>184,513</u>	<u>181,260</u>
Operating profit	6	131,270	851,922
Interest payable and similar expenses	8	<u>(114,520)</u>	<u>(158,113)</u>
Profit before taxation		16,750	693,809
Taxation on profit	9	<u>(2,094)</u>	<u>(136,671)</u>
Profit for the financial year		<u>14,656</u>	<u>557,138</u>

There was no other income or expenditure apart from those dealt with in the profit and loss account and therefore no separate statement of comprehensive income has been presented.

The notes on pages 13 to 30 are an integral part of these financial statements.

BALANCE SHEET
As at 28 February 2025

	Notes	28 February 2025 €	29 February 2024 €
Fixed assets			
Tangible assets	10	14,006,663	12,446,100
Financial assets	11	100	100
		<u>14,006,763</u>	<u>12,446,200</u>
Current assets			
Stocks	12	10,589,153	13,774,892
Debtors	13	8,016,722	10,778,832
Cash at bank and in hand		161,255	446,671
		<u>18,767,130</u>	<u>25,000,395</u>
Creditors - Amounts falling due within one year	14	<u>(17,304,296)</u>	<u>(21,336,622)</u>
Net current assets		<u>1,462,834</u>	<u>3,663,773</u>
Total assets less current liabilities		15,469,597	16,109,973
Creditors - Amounts falling due after more than one year	15	<u>(694,727)</u>	<u>(1,294,727)</u>
Net assets		<u>14,774,870</u>	<u>14,815,246</u>
Capital and reserves			
Called up share capital presented as equity	17	14,040	14,040
Capital contribution	18	570,000	570,000
Profit and loss account	18	14,190,830	14,231,206
		<u>14,774,870</u>	<u>14,815,246</u>
Total equity		<u>14,774,870</u>	<u>14,815,246</u>

The notes on pages 13 to 30 form an integral part of these financial statements.

On behalf of the board

William Keary

Marian Keary



STATEMENT OF CHANGES IN EQUITY
For the financial year ended 28 February 2025

	Called up share capital presented as equity €	Capital contribution €	Profit and loss account €	Total €
Balance as at 1 March 2023	14,040	570,000	13,817,334	14,401,374
Profit for the financial year	-	-	557,138	557,138
Total comprehensive income for the financial year	-	-	557,138	557,138
Dividends (note 19)	-	-	(143,266)	(143,266)
Transactions with owners, recognised directly in equity	-	-	(143,266)	(143,266)
Balance as at 29 February 2024	14,040	570,000	14,231,206	14,815,246
Balance as at 1 March 2024	14,040	570,000	14,231,206	14,815,246
Profit for the financial year	-	-	14,656	14,656
Total comprehensive income for the financial year	-	-	14,656	14,656
Dividends (note 19)	-	-	(55,032)	(55,032)
Transactions with owners, recognised directly in equity	-	-	(55,032)	(55,032)
Balance as at 28 February 2025	14,040	570,000	14,190,830	14,774,870

NOTES TO THE FINANCIAL STATEMENTS

1 General information

Kearys of Cork Unlimited Company is a company incorporated in Ireland under the Companies Act 2014. The company operates a franchise for the sale of new Hyundai and Nissan motor vehicles. The company's activities also includes the sale of used motor vehicles, the supply of parts and the servicing of motor vehicles. In July 2024, the Nissan franchise was transferred to Keary Motors Limited. The address of its registered office is Kinsale Road Roundabout, Cork. The company's registered number is 106534.

The company's immediate parent undertaking is Carweb Unlimited Company, a company incorporated in the Republic of Ireland. The company's ultimate parent company is MRBP Motors Unlimited Company, a company incorporated in the Republic of Ireland.

MRBP Motors Unlimited Company prepares group financial statements and is both the smallest and largest group for which group financial statements are drawn up and of which Kearys of Cork Unlimited Company is a member. The company's financial statements reflect the effects of such group membership. These financial statements are the company's separate financial statements for the financial year beginning 1 March 2024 and ending 28 February 2025. The comparative financial statements relate to the financial year from 1 March 2023 to 29 February 2024.

The company has a subsidiary, as set out in note 11. As the company is included in consolidated accounts of MRBP Motors Unlimited Company it is exempt, by virtue of Section 299 of the Companies Act 2014, from the requirement to prepare group financial statements.

2 Statement of compliance

The entity financial statements have been prepared on a going concern basis and in accordance with Irish GAAP (accounting standards issued by the Financial Reporting Council of the UK and the Companies Act 2014). The entity financial statements comply with Financial Reporting Standard 102, *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (FRS 102) and the Companies Act 2014.

3 Summary of significant accounting policies

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

(a) Basis of preparation

The entity financial statements have been prepared under the historical cost convention, as modified by the measurement of certain financial assets and liabilities at fair value.

The preparation of financial statements in conformity with FRS 102 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. The areas involving a higher degree of judgement or areas 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.

(b) Going concern

The company's balance sheet as at 28 February 2025 shows net current assets of €1,462,834 and net assets of €14,774,870. The company's financing includes bank loans (note 16). On 18 February 2025, before the balance sheet date, the company received a waiver for the related covenants from its bank; on that basis, testing of these covenants was waived at the balance sheet date.

In assessing whether the going concern assumption is appropriate, the directors have taken into account all available information for at least 12 months following the approval of these financial statements. In arriving at its conclusion, the directors have taken account of the level of cash resources and bank financing which the company maintains to enable it to meet its working capital requirements. The directors expect to be in compliance with covenants in respect of its 2026 financial year. After making all necessary enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Therefore, these financial statements have been prepared on a going concern basis.

NOTES TO THE FINANCIAL STATEMENTS - continued

3 Summary of significant accounting policies

(c) Disclosure exemptions for qualifying entities under FRS 102

FRS 102 allows a qualifying entity certain disclosure exemptions. The company is a qualifying entity for the purposes of FRS 102. Note 1 gives details of the company's parent and from where the consolidated financial statements may be obtained.

As a qualifying entity the company has availed of a number of exemptions from the disclosure requirements of FRS 102 in the preparation of the entity financial statements. The company has notified its shareholders in writing about, and they do not object to, the disclosure exemptions availed of by the company in the entity financial statements.

(i) *Cash flow statement*

The entity has taken advantage of the exemption, under FRS 102, paragraph 1.12(b), from preparing a statement of cash flows, on the basis that it is a qualifying entity and its ultimate parent company, MRBP Motors Unlimited Company, includes the entity's cash flows in its own consolidated financial statements.

(ii) *Key management compensation*

The entity has taken advantage of the exemption, under FRS 102, paragraph 33.7, from disclosing key management compensation, on the basis that it is a qualifying entity.

(iii) *Financial instruments*

Disclosures required under FRS 102 paragraphs 11.39 to 11.48A and paragraphs 12.26 to 12.29 have not been presented as the information is provided in the consolidated financial statements of MRBP Motors Unlimited Company.

(d) Foreign currency

(i) *Functional and presentation currency*

The company's functional and presentation currency is the euro, denominated by the symbol "€".

(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 the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

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 profit and loss account.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the profit and loss account within 'interest receivable and similar income' or 'interest payable and similar charges' as appropriate. All other foreign exchange gains and losses are presented in the profit and loss account within 'other expensing expenses'.

NOTES TO THE FINANCIAL STATEMENTS - continued

3 Summary of significant accounting policies - continued

(e) 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 Kearys of Cork Unlimited Company, turnover comprises revenue arising from the sale of motor vehicles, the sale of parts and the sale of services.

Turnover is measured at the fair value of the consideration received or receivable and represents the amount receivable for goods supplied or services rendered, net of returns, discounts and rebates allowed by the company and value added taxes.

The company bases its estimate of returns, discounts and rebates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

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 the each of company's sales channels have been met, as described below:

(i) Motor vehicle sales

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be measured reliably. Turnover includes amounts receivable generated for sale of services provided in the normal course of business, net of discounts, rebates, VAT and other sales-related taxes.

Revenue from the sale of motor vehicles is recognised once the risks and rewards of ownership have passed to the customer.

(ii) Part sales

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be measured reliably. Turnover includes amounts receivable generated for sale of services provided in the normal course of business, net of discounts, rebates, VAT and other sales-related taxes.

Revenue from parts sales represents the total invoice value, excluding value added tax of sales made during the year.

(iii) Service sales

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be measured reliably. Turnover includes amounts receivable generated for sale of services provided in the normal course of business, net of discounts, rebates, VAT and other sales-related taxes.

Turnover represents the invoiced value of services supplied by the company, exclusive of value added tax.

(f) 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 account 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.

NOTES TO THE FINANCIAL STATEMENTS - continued

3 Summary of significant accounting policies - continued

(f) Income tax - continued

(i) Current tax- continued

The directors periodically evaluate positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. A current tax liability is recognised where appropriate and measured on the basis of amounts expected to be paid to the tax authorities.

(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. 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.

(g) 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) Depreciation and residual values

Depreciation is calculated using the straight-line method to allocate the cost over the asset's useful lives. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at least at each financial year-end. The key assumptions used in the depreciation of tangible assets are as follows:

- Freehold buildings: 40 years
- Plant and equipment: 10 years
- Office equipment 5 years

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.

(ii) 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.

(iii) Derecognition

Tangible fixed 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.

NOTES TO THE FINANCIAL STATEMENTS - continued

3 Summary of significant accounting policies - continued

(h) Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Stocks are recognised as an expense in the financial year in which the related revenue is recognised.

Cost is determined using normal levels of cost. Cost comprises the purchase price, including taxes and duties and transport and handling costs directly attributable to bringing the stock to its present location and condition.

At the end of each financial year, stocks are assessed for impairment. If an item of stock is impaired, the identified stock is measured at its selling price less costs to complete and sell and the resulting impairment loss is recognised in profit or loss. Where a reversal of the impairment loss is recognised the impairment loss is reversed, up to the original impairment loss, and is recognised in profit or loss.

(i) Leased assets – lessor accounting

(i) *Operating leases (land and buildings)*

The company recognises lease income from operating leases in profit or loss on a straight-line basis over the lease term.

As lessor, the company present assets subject to operating leases in its balance sheet according to the nature of the asset. Leasing assets under operating leases means that the lessor has retained the risk and rewards of ownership of the asset, and so continues to present the asset on its balance sheet according to its nature.

(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 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 pre-tax and interest cash flows are 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) Investments

Investment in subsidiary undertaking

The company's investment in subsidiary is carried at historical cost less accumulated impairment losses.

NOTES TO THE FINANCIAL STATEMENTS - continued

3 Summary of significant accounting policies - continued

(l) 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.

Bank deposits which have original maturities of more than three months are not cash and cash equivalents and are presented as current asset investments.

(m) Grants

Grant income is not recognised until there is reasonable assurance that the company will comply with the conditions attaching to them and that the grants will be received. Grants of a revenue nature are credited to the profit and loss account and recognised on an accruals basis. They are subject to certain terms and conditions.

Grants are recognised in profit or loss on a systematic basis over the periods in which the company recognises as expenses the related costs for which the grants are intended to compensate.

(n) Employee benefits

The company provides a range of benefits to employees, including annual bonus arrangements, paid holiday arrangements and defined contribution pension plans.

(i) Short term benefits

Short term benefits, including holiday pay and other similar non-monetary benefits, are recognised as an expense in the year in which the service is received.

(ii) Post-employment benefits

For defined contribution schemes the amounts charged to the profit and loss account in respect of pension costs and other post-retirement benefits are the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

(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.

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.

NOTES TO THE FINANCIAL STATEMENTS - continued

3 Summary of significant accounting policies - continued

(o) Financial instruments - continued

(i) *Financial assets -continued*

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.

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 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 year of the facility to which it relates.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade creditors are classified as due within one year if payment is due within one year or less. If not, they are presented as falling due after more than one year. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

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

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

(iii) *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.

NOTES TO THE FINANCIAL STATEMENTS - continued

3 Summary of significant accounting policies - continued

(p) 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.

(q) Finance costs and income

Finance costs comprise interest expense on borrowings (including amortisation of deferred debt issue costs), impairment losses recognised on certain financial assets, borrowing extinguishment costs and are recognised in profit or loss. Finance costs are recognised in profit or loss using the effective interest method. Borrowing costs that are directly attributable to the acquisition or construction of a qualifying asset are capitalised as part of the cost of that asset. All other borrowing costs are recognised as an expense.

Finance income comprises interest income on certain foreign currency translation gains related to financing and are recognised in profit or loss. Interest income is recognised as it accrues using the effective interest method. Dividend income is recognised on the date that the company's right to receive payment is established.

(r) Share capital presented as equity

Equity shares issued are recognised at the proceeds received. 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.

(s) Corresponding amounts

Certain corresponding amounts have been adjusted so they are directly comparable with the amounts shown in respect of the current financial year.

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.

(i) Impairment of tangible assets

The carrying value of tangible assets is assessed for impairment based on the presence of impairment indicators – where events or changes in circumstances indicate that the carrying amount may not be recoverable. Where impairment indicators are present, management carry out an impairment test. This is done by comparing the asset's carrying value to the higher of its value in use and net realisable value (fair value less costs to sell). Any shortfall is recorded as an impairment charge. The asset's value-in-use is assessed based on estimates of future cash flows discounted appropriately. Net realisable value is estimated using a valuation process. See note 10 for the carrying amount of the tangible fixed assets.

(ii) 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 fixed assets, and note 3(g) for the useful economic lives for each class of tangible fixed assets.

NOTES TO THE FINANCIAL STATEMENTS - continued

4 Critical accounting judgements and estimation uncertainty - continued

(a) Critical accounting estimates and assumptions - continued

(iii) Impairment of debtors - continued

The directors make an assessment at the end of each financial year of whether there is objective evidence that a trade or other debtor is impaired. When assessing impairment of trade and other debtors, 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 13 for the net carrying amount of the debtors at the end of the financial year.

(iv) Carrying value of stock

Stock represents new cars, used cars and parts and is measured at the lower of cost and net realisable value. As a result it is necessary to consider the recoverability of the carrying amount of stock at the end of each financial year. When calculating any stock impairment, the directors consider the nature and condition of the stock, current estimated selling prices, as well as applying assumptions around anticipated saleability of finished goods and future usage of raw materials. Provision is made for obsolete, slow moving or defective items where appropriate based on publicly available market prices. See note 12 for the net carrying amount of the stocks and the impairment loss recognised in the financial year.

5 Turnover

Turnover comprises the invoice value of goods supplied by the company in the Republic of Ireland, exclusive of trade discounts and value added tax.

	Financial year ended 28 February 2025 €	Financial year ended 29 February 2024 €
The amount of turnover by class of activity is as follows:		
Vehicles	48,109,174	60,998,258
Parts	2,696,384	3,308,315
Service	1,836,492	2,140,835
	<u>52,642,050</u>	<u>66,447,408</u>

6 Operating profit

	Financial year ended 28 February 2025 €	Financial year ended 29 February 2024 €
Operating profit is stated after charging/(crediting):		
Depreciation (note 10)	364,613	352,332
Intercompany management (credit)/charge	(13,220)	482,994
	<u> </u>	<u> </u>

NOTES TO THE FINANCIAL STATEMENTS - continued

6 Operating profit - continued

Auditors' remuneration

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

	Financial year ended 28 February 2025 €	Financial year ended 29 February 2024 €
Audit of entity financial statements	19,297	18,900
Tax advisory services	30,561	23,191
Advisory services	-	85,000
Secretarial services	280	275
	<u>50,138</u>	<u>127,366</u>

7 Employees and remuneration

(i) Employees

Employees' costs during the financial year:

	Financial year ended 28 February 2025 €	Financial year ended 29 February 2024 €
Wages and salaries	2,349,624	3,143,134
Social security costs	257,274	345,357
Redundancy costs	36,191	-
Other retirement benefit costs (note 20)	54,574	194,578
Expensed in the financial year	<u>2,697,663</u>	<u>3,683,069</u>

	Number	Number
Average monthly number of persons employed	<u>60</u>	<u>80</u>

(ii) Directors

Directors' costs during the financial year:

	Financial year ended 28 February 2025 €	Financial year ended 29 February 2024 €
Wages and salaries	-	-
Social insurance costs	-	-
Compensation for loss of office	-	-
Retirement benefit costs	-	-
Expensed in the financial year	<u>-</u>	<u>-</u>

	Number	Number
Number of directors	<u>3</u>	<u>3</u>

NOTES TO THE FINANCIAL STATEMENTS - continued

7 Employees and remuneration – continued

(ii) Directors - continued

The directors' remuneration for services rendered to the MRBP Group is paid by fellow subsidiary undertakings as follows: Keary Motors Limited for one director; Keary's of Mallow Unlimited Company for another director; and Kearys Kinsale Road Roundabout Unlimited Company for another director. The directors' services to this company and to fellow subsidiaries is deemed to be wholly attributable to their services to the fellow subsidiary companies who remunerate each director as set out above, as it is not considered possible to make an accurate apportionment of remuneration in respect of each subsidiary. Accordingly, the details above include no remuneration details in respect of the directors. Total remuneration is included in the aggregate of directors' remuneration disclosed in the financial statements of the fellow subsidiary companies who remunerate each director.

8 Interest payable and similar expenses

	Financial year ended 28 February 2025 €	Financial year ended 29 February 2024 €
Interest payable on amounts owed to credit institutions	114,520	158,113

9 Income tax

	Financial year ended 28 February 2025 €	Financial year ended 29 February 2024 €
(a) Tax charge included in profit or loss		
Current tax on profit for the financial year:		
- Irish corporation tax at 12.5% (2024: 12.5%)	2,094	136,671
Current tax charge for the financial year:	2,094	136,671

Tax assessed for the financial year is the same as (2024: higher than) the standard rate of corporation tax in the Republic of Ireland for the financial year ended 28 February 2025 of 12.5% (2024: 12.5%). The differences are explained below:

(b) Reconciliation of tax expense

	Financial year ended 28 February 2025 €	Financial year ended 29 February 2024 €
Profit before tax	16,750	693,809
Profit multiplied by the standard rate of corporation tax in Ireland for the year of 12.5% (2024: 12.5%)	2,094	86,726
Effects of:		
Income not subject to tax	(54,353)	-
Expenses not allowed for tax purposes	-	427
Difference between depreciation and capital allowances	36,398	33,653
Income taxed at higher rate	17,955	15,865
Tax on profit before tax	2,094	136,671

NOTES TO THE FINANCIAL STATEMENTS - continued

10 Tangible assets	Freehold land and buildings €	Plant and machinery €	Office equipment €	Total €
Cost				
At 1 March 2024	17,105,466	1,832,999	2,513,457	21,451,922
Additions	1,900,000	8,350	16,826	1,925,176
At 28 February 2025	<u>19,005,466</u>	<u>1,841,349</u>	<u>2,530,283</u>	<u>23,377,098</u>
Depreciation				
At 1 March 2024	5,353,503	1,684,566	1,967,753	9,005,822
Charge for the financial year	266,789	34,534	63,290	364,613
At 28 February 2025	<u>5,620,292</u>	<u>1,719,100</u>	<u>2,031,043</u>	<u>9,370,435</u>
Net book amount				
At 1 March 2024	<u>11,751,963</u>	<u>148,433</u>	<u>545,704</u>	<u>12,446,100</u>
At 28 February 2025	<u>13,385,174</u>	<u>122,249</u>	<u>499,240</u>	<u>14,006,663</u>

The company's land and buildings are purpose-built facilities for the motor trade.

Additions to land and buildings, which are also purpose-built facilities for the motor trade, relates to a property acquired from William Keary, director, for €1,900,000 during the year (note 21). This was recorded based on the consideration paid, which was in turn based on a third party valuation.

11 Financial assets	Financial year ended 28 February 2025 €
Shares in a subsidiary at cost:	
Cost	
At beginning and end of year	<u>100</u>
Provision for impairment	
At beginning and end of year	<u>-</u>
Carrying value	
At beginning of year	<u>100</u>
At end of year	<u>100</u>

Cost is taken to reflect actual purchase cost or, where relevant, the underlying fair value of the shareholdings in the subsidiary companies at date of acquisition less provision for any diminution in value.

Financial assets are comprised of:	28 February 2025 €	29 February 2024 €
Subsidiary company:		
Vanstore Limited	<u>100</u>	<u>100</u>

The company holds an investment in Vanstore Limited, a company registered in Ireland (being a 100% controlling interest). Its registered office is c/o Keary Motors, Kinsale Road Roundabout, Cork. This is a van rental company.

NOTES TO THE FINANCIAL STATEMENTS - continued

12 Stocks	28 February 2025 €	29 February 2024 €
Motor vehicles	10,429,235	13,493,697
Parts	159,918	281,195
	<u>10,589,153</u>	<u>13,774,892</u>

The replacement cost of stocks did not differ significantly from the figures shown.

13 Debtors	28 February 2025 €	29 February 2024 €
Amounts falling due within one year:		
Trade debtors	1,515,548	2,110,919
Prepayments and other receivables	391,236	923,813
Corporation tax	72,249	74,343
Amount owed by parent and fellow subsidiary undertakings	5,493,700	6,210,464
Amount owed by related parties (note 21)	543,989	1,459,293
	<u>8,016,722</u>	<u>10,778,832</u>

All amounts included above fall due within one year.

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

There was no impairment of debtors during the year or reversal of write offs. There was no impairment of other receivables (2024: €Nil).

14 Creditors – Amounts falling due within one year	28 February 2025 €	29 February 2024 €
Amounts owed to credit institutions (note 16)	600,000	600,000
Trade creditors	4,193,001	6,913,102
Amounts due to banks in respect of stocking facilities	5,876,136	6,911,636
Accruals	357,586	523,322
Amounts owed to fellow subsidiary undertakings	5,029,529	5,392,509
Amounts owed to related parties (note 21)	479,647	175,216
Directors' loans (note 21)	-	37,149
Other creditors including tax and social insurance comprise:		
- PAYE	40,619	55,837
- Social insurance	41,870	40,383
- VAT	427,936	445,719
- Vehicle registration tax	257,972	241,749
	<u>17,304,296</u>	<u>21,336,622</u>

Amounts due to banks in respect of stocking facilities relate to the purchase of certain fleet and other vehicles is funded by way of a number of stocking facilities with financial institutions. The financial institutions concerned have the contractual right to call for repayment on demand of all amounts drawn on these facilities. While over time, the directors consider that the facilities have operated with alternative repayment terms so that certain drawn amounts can fall due for repayment after more than one year, the directors have classified the total liability as current, reflecting the contractual repayment terms.

NOTES TO THE FINANCIAL STATEMENTS - continued

14 Creditors – Amounts falling due within one year – continued

Trade and other creditors are payable at various dates in the three months after the end of the financial year in accordance with the suppliers' usual and customary credit terms. Certain trade creditors are secured by means of a reservation of title clause in their contracts.

Creditors for tax and social insurance are payable in the time frame set down in the legislation.

Amounts due to fellow subsidiary undertakings are unsecured, interest free and are repayable on demand.

15 Creditors – Amounts falling due after more than one year	28 February 2025 €	29 February 2024 €
Amounts owed to credit institutions (note 16)	<u>694,727</u>	<u>1,294,727</u>

16 Loans and other borrowings	28 February 2025 €	29 February 2024 €
Bank loans		
Amounts owed to credit institutions	1,294,727	1,894,727
Less: amounts falling due after more than one financial year (note 15)	<u>(694,727)</u>	<u>(1,294,727)</u>
Amounts falling due within one year (note 14)	<u>600,000</u>	<u>600,000</u>

The repayment term of these loans is over 5.5 years to 8 April 2027.

The loans are subject to an average interest rate of 3.5%.

Bank loans are secured by fixed and floating charges on the assets of the company together with cross company guarantees.

A financial institution holds the following securities:

- A first ranking debenture securing all sums due from the company comprising fixed and floating security over all of its assets, property and undertaking including without limitation the properties located at Kinsale Road Roundabout and the company's interest in certain leases entered into with Keary Motors Limited; and
- An intercreditor agreement between the bank and any other financial institution which has provided a facility to the company.

NOTES TO THE FINANCIAL STATEMENTS - continued

17 Called up share capital presented as equity	28 February 2025 €	29 February 2024 €
Authorised:		
100,000 (2024: 100,000) ordinary shares of €1.30 (2024: €1.30) each	130,000	130,000
100 (2024: 100) A ordinary shares of €1.30 (2024: €1.30) each	130	130
100 (2024: 100) B ordinary shares of €1.30 (2024: €1.30) each	130	130
100 (2024: 100) C ordinary shares of €1.30 (2024: €1.30) each	130	130
	<u>130,390</u>	<u>130,390</u>
Allotted, issued and fully paid:		
10,500 (2024: 10,500) ordinary shares of €1.30 (2024: €1.30) each	13,650	13,650
100 (2024: 100) A ordinary shares of €1.30 (2024: €1.30) each	130	130
100 (2024: 100) B ordinary shares of €1.30 (2024: €1.30) each	130	130
100 (2024: 100) C ordinary shares of €1.30 (2024: €1.30) each	130	130
	<u>14,040</u>	<u>14,040</u>

The authorised share capital of the company comprises ordinary shares. There is a single class of ordinary shares, which carry equal voting rights. There are no restrictions on the distribution of dividends and the repayment of capital.

The "A" Ordinary Shares, "B" Ordinary Shares and "C" Ordinary Shares shall rank pari passu in all respects with the Ordinary Shares of the Company save as hereinafter provided:

- (a) The Ordinary Shares alone shall confer on the holders thereof the right to receive notice of and to attend, speak and vote at general meetings of the Company with each share entitling the holder thereof to one vote per share.
- (b) The Ordinary Shares shall carry the entitlements to dividends.
- (c) The "A" Ordinary Shares, "B" Ordinary Shares and "C" Ordinary Shares shall confer the right on the holders thereof the right to receive a dividend on profits earned or generated by the company post 1 December 2020. The Ordinary Shares shall confer the right on the holders thereof the right to receive a dividend on profits earned or generated pre and post 1 December 2020.
- (d) The holders of the "A", "B" and "C" Ordinary Shares will not be entitled to receive notice of or attend or vote at any general meeting unless the business of that meeting includes the consideration of a resolution for varying or abrogating any of the rights or privileges attached to the "A", "B" or "C" Ordinary Shares in which case they shall be entitled to attend and vote on any such resolution but on no other resolution proposed as the meeting.
- (e) The holders of the "A", "B" and "C" Ordinary Shares shall be entitled to dividends on a pari passu basis with the holders of the Ordinary Shares. The Company may declare a dividend on one share class without declaring or paying a dividend on any other class of share.
- (f) The holders of the "A", "B" and "C" Ordinary Shares shall on a winding up or other repayment of capital be entitled on a pari passu basis to have the assets of the Company available for distribution among the members applied in repayment to them of the capital paid on such shares but shall not be entitled to any further right to participate in profits or assets of the Company.

NOTES TO THE FINANCIAL STATEMENTS - continued

18 Reserves

Profit and loss account

The profit and loss reserve represents accumulated profits or losses, net of dividends paid and other adjustments.

Capital contribution

The capital contribution reserve represents funds contributed to the company.

19 Dividends

	Financial year ended 28 February 2025 €	Financial year ended 29 February 2024 €
During the year, the company declared the following dividends:		
Dividends paid	<u>55,032</u>	<u>143,266</u>

20 Pension costs

The company operates a defined contribution scheme for certain employees. Pension costs for the year amounted to €54,574 (2024: €194,578). Contributions totalling €6,713 (2024: €9,348) were payable to the fund at the year-end and are included in creditors.

21 Related party transactions

Directors' loans and transactions

See note 7 for disclosure of directors' remuneration.

The directors' loan, which is payable to William Keary, director, amounted to €Nil (2024: €37,149) at year end and it is included in Creditors – Amounts falling due within one year in note 14). This balance was settled during the financial year.

In the year ended 28 February 2025, the company acquired an ownership interest in a property from William Keary, director, for €1,900,000. This is included in tangible assets during the financial year (note 10). The consideration payable was settled during the financial year.

Non-wholly owned group companies

The company is exempt from disclosing related-party transactions with entities that are part of the MRBP Motors Unlimited Company group of companies under paragraph 33.1A of FRS 102. SK Cosmetics Limited is a fellow subsidiary undertaking but it is not wholly owned. Amounts due from fellow subsidiary undertaking of €50,000 (2024: €50,000) are included in Debtors: Amounts due within one year. However, the company has recorded a provision for impairment of the same amount. During the year, Kearys of Cork Unlimited Company bore costs on behalf of the company of €Nil (2024: €2,332) which are included in debtors; however, the company recognised provisions for impairment of €Nil (2024: €2,332). The balance is unsecured, interest free and repayable on demand.

NOTES TO THE FINANCIAL STATEMENTS - continued

21 Related party transactions - continued

Other related parties

Debtors - Amounts due within one year (note 13) includes Amounts owed by related parties of €543,989 (2024: €1,459,293). Creditors - Amounts falling due within one year (note 14) includes Amounts owed to related parties of €479,647 (2024: €175,216). This is comprised as follows:

- BM Mara Car Sales Limited is a related party of the Company because it is controlled by Directors of MRBP Motors Unlimited Company. During the year, sales to this related party amounted to €3,977,852 (2024: €6,011,163). The amount owing from the related party at the year-end is €543,989 (2024: €1,033,765). Purchases from the related party of €1,667,546 (2024: €1,681,063) were also recorded during the year. The amount owing to the related party at the year-end is €Nil (2024: €Nil).
- Tiger Mountain Limited is a related party of the Company because it is controlled by Directors of MRBP Motors Unlimited Company. During the year, sales to this related party amounted to €Nil (2024: €Nil). The amount owing from the related party at the year-end is €Nil (2024: €Nil). Purchases from this related party of €311,264 (2024: €444,026) were also recorded during the year. The amount owing to the related parties at the year-end is €238,209 (2024: €175,216).
- We Buy Cars Limited is a related party of the Company because it is controlled by Directors of MRBP Motors Unlimited Company. During the year, sales to this related party amounted to €923,156 (2024: €4,032,546). The amount owing from the related party at the year-end is €Nil (2024: €425,528). Purchases from the related party of €492,400 (2024: €643,730) were also recorded during the year. The amount owing to the related party at the year-end is €241,438 (2024: €Nil).

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

Amounts due to related party undertakings are unsecured, interest free and are repayable on demand.

22 Events since the end of the financial year

There have been no significant events affecting the company since the financial year end requiring disclosure in the financial statements.

23 Commitments

(a) Personal contract plan commitments

The company has sold motor vehicles to various financial institutions who, in turn, have entered into personal contract plans with customers. In the case of the number of these contract plans, the customer has the option to pay the residual balance remaining or return the vehicle at the end of the period. The company is committed to repurchasing these vehicles at agreed residual values should the customer choose the option. Due to the nature of the arrangements, the likelihood of buying back the full commitment remains uncertain at the year end. At year end, 28 February 2025, the company has committed to buying back vehicles to a total value of €8,800,997 (2024: €8,657,088). The directors consider that, should this commitment arise, the value of the assets acquired will be in excess of the liability arising.

NOTES TO THE FINANCIAL STATEMENTS - continued

23 Commitments - continued

(b) *Cross guarantees*

In January 2023, the company was part of the refinancing of its parent company's and subsidiaries' bank loans. As part of this arrangement, a commitment has arisen for the company as follows:

- Group guarantee between Kearys Kinsale Road Roundabout Unlimited Company, Kearys of Cork Unlimited Company, Kearys Eastgate Unlimited Company, Carweb Unlimited Company, Keary's of Mallow Unlimited Company, Kearys of Midleton Unlimited Company and Leasemaster Unlimited Company in the amount of €5,000,000 in respect of principal together with interest and costs accrued thereon.
- Group guarantee between Kearys Kinsale Road Roundabout Unlimited Company, Kearys of Cork Unlimited Company, Kearys Eastgate Unlimited Company, Carweb Unlimited Company, Keary's of Mallow Unlimited Company, Kearys of Midleton Unlimited Company, Leasemaster Unlimited Company and Keary Garage Limited in the amount of €2,000,000 in respect of principal together with interest and costs accrued thereon.
- Joint and Several Inter Company Letter of Guarantee from Kearys Kinsale Road Roundabout Unlimited Company, Kearys of Cork Unlimited Company, Kearys Eastgate Unlimited Company, Carweb Unlimited Company, Kearys of Midleton Unlimited Company and Leasemaster Unlimited Company guaranteeing the Borrower's liabilities in the amount of €2,500,000 in respect of principal together with interest and costs accrued thereon.
- Inter Company Letter of Guarantee from Kearys of Cork Unlimited Company guaranteeing the Borrower's liabilities in the amount of €63,487 in respect of principal together with interest and costs accrued thereon.

24 Approval of financial statements

The financial statements were approved and authorised for issue by the board of directors on 11 December 2025 and were signed on its behalf on that date.