SUNDRY FOODS LIMITED

ANNUAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2024

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CORPORATE INFORMATION

DIRECTORS:	Adedotun Sulaiman (MFR)	Nigerian	Chairman
	Ebele Enunwa	Nigerian	Managing Director/CEO
	Nnamdi Opara	Nigerian	Executive Director
	Nnaemeka Obiakor	Nigerian	Director
	Blessing Odita	Nigerian	Director
	Keith Warren	Australian	Director

REGISTERED OFFICE:
23 Nzimiro Street,
Old GRA, Port-Harcourt,
Nigeria

EXTERNAL AUDITOR
Ernst & Young
10th & 13th Floors, UBA House
57, Marina, Lagos
Nigeria

COMPANY SECRETARY:
Prime Law Partnership
25 Trans Amadi Road
Port Harcourt, Rivers State

BANKERS:
Stanbic IBTC Bank Plc
Access Bank Plc
First Bank Nigeria Ltd
United Bank for Africa Plc
Ecobank Nigeria Plc
Zenith Bank Plc
Fidelity Bank Plc
Opay Digital Services Ltd
Moniepoint Microfinance Bank Ltd

REGISTRATION NUMBER: RC 500209

TAX IDENFICATION NUMBER: 02197620-0001

FINANCIAL REPORTING COUNCIL NUMBER : FRC/2014/COY/00000002771

REPORT OF THE DIRECTORS

The directors have the pleasure in submitting to the members of the Company, the annual report of Sundry Foods Limited ('the Company") for the year ended 31 December 2024.

1. PRINCIPAL ACTIVITY

The principal activity of the Company is the provision of food services i.e. developing and operating restaurants and bakeries. The company also provides catering services to individuals and corporate entities.

2. STATE OF AFFAIRS

In the opinion of the Directors, the state of affairs of the Company is satisfactory and no events have occurred since the reporting date which would affect the financial statements as presented.

3. RESULTS FOR THE YEAR

	31-Dec-24 ₦'000	31-Dec-23 ₦'000
Revenue from contract with customers	72,881,812	43,608,153
Profit before taxation	9,903,803	4,547,161
Income tax expense	(3,426,539)	(1,431,627)
Profit after taxation	6,477,264	3,115,534

4. DIVIDEND

The Directors has proposed a gross dividend of N3.60k (2023: N1.70k) on every ordinary share in issue, amounting to N2.592 billion (2023: N1.224billion). The proposed dividend is subject to approval by the Shareholders at the Annual General Meeting.

5. PROPERTY, PLANT AND EQUIPMENT

Information relating to changes in property, plant and equipment is shown in Note 15 to the financial statements. In the opinion of the Directors, the market value of the Company’s property, plant and equipment is not less than the carrying value shown in the financial statements.

6. ACQUISITION OF OWN SHARES

The company did not purchase any of its own shares during the year ended 31 December 2024 (2023: Nil).

REPORT OF THE DIRECTORS (Continued)

7. DIRECTORS' INTEREST IN SHARES

Pursuant to Sections 301 of the Companies and Allied Matters Act, 2020 (CAMA), the interest of the Directors in the shares of the Company as notified by them and recorded in the Company register is as follows:☐

		Shareholding	
Ebele Enunwa	Managing Director	20.00%	Indirect
Blessing Odita	Director	3.50%	Indirect
Nnaemeka Obiakor	Director	13.10%	Indirect
Nnamdi Opara	Director	0.30%	Indirect

8. DIRECTORS INTEREST IN CONTRACTS

None of the Directors has notified the Company for the purpose of Section 303 of the Companies and Allied Matters Act 2020 (CAMA), of any direct or indirect interest in contracts with which the Company is involved as at 31 December 2024 (2023:Nil).

9. CHARITABLE CONTRIBUTIONS AND DONATIONS

The company did not make any charitable contributions during the year ended 31 December 2024 (2023: Nil).

10. EMPLOYMENT OF DISABLED PERSONS

It is the policy of the Company that there will be no discrimination in considering applications for employment including those from disabled persons. All employees whether disabled or not are given equal opportunities to develop their experience and knowledge and to qualify for promotion in furtherance of their career. As at 31 December 2024, no disabled person was employed by the Company (2023: Nil).

11. EMPLOYEES INVOLVEMENT AND TRAINING

The company is committed to keeping employees fully informed as much as possible regarding the Company's performance and progress and in seeking their views whenever practicable on matters which particularly affect them as employees.

Management, professional and technical expertise are the Company's major assets and investments in developing skills. The company's expanding skills base has extended the range of training provided and has broadened opportunities for career development within the Company.

Incentive schemes designed to meet the circumstances of each individual are implemented wherever appropriate and some of these schemes include bonus.

REPORT OF THE DIRECTORS (Continued)

12. HEALTH, SAFETY AND WELFARE OF EMPLOYEES

Health and safety regulations are in force within the Company's premises and employees are aware of existing regulations. The company provides medical scheme and meals for all employees.

13. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements of Sundry Foods Limited have been prepared in accordance with the reporting and presentation requirement of International Financial Reporting Standards issued by the International Accounting Standards Board (IASB), Companies and Allied Matters Act of Nigeria, and the Financial Reporting Council of Nigeria (Amendment) Act, 2023

14. SUSTAINABILITY REPORT

Sustainability is about preserving our world and its people. We all depend on just one planet. Smart and sustainable use of natural resources to reduce our environmental footprint is necessary now more than ever.
In Sundry Foods Limited, our corporate responsibility and sustainability programs are driven in our communities.
As owners of one of the leading bakeries in the country, we have to reduce our impact on the environment, have a positive impact on society and conduct ourselves in an ethnical, efficient and inclusive manner.

Reduce Co2 footprint to protect food supplies: we have increased our focus on ways to continually reduce emissions Preserving water through water recycle.

Sustainability Programs-Saving water
Based on a comprehensive risk assessment, we set the target for water reductions and gas emissions in our operations. Our goal is to reduce water use by 20% in areas where high consumption has been identified through recycling and to reduce gas emissions from our Generators in the next 5 years.

15. INDEPENDENT AUDITORS

Messrs Ernst & Young were appointed on 21 June 2024 as independent auditor of the company in accordance with Section 401(1) of the Companies and Allied Matters Act of Nigeria, 2020.

A resolution will be proposed at the Annual General Meeting to authorize the Directors to effect the re-appointment and fixing their remuneration."

BY ORDER OF THE BOARD

Lilly-Tariah Sojiye Tgkenam
FRC/2025/PRO/NBA/002/109438
Company Secretary

NIGERIAN BAR ASSOCIATION
NBA
SOJIYE TEKENAM
LILLY-TARIAH
SCN030012

28 May 2025

AUDIT COMMITTEE REPORT

In accordance with Section 404(7) of the Companies and Allied Matters Act, 2020, we, the members of the Audit Committee have reviewed and considered the Auditor's Report required to be made in accordance with Section 404 (7) of Companies and Allied Matters Act, 2020 and report as follows:

i. The scope and planning of the internal audits for the year ended 31 December 2024 are satisfactory. The internal audit programs reinforce the Company's internal control system;

ii. The scope and planning of statutory audit for the year ended 31 December 2024 are satisfactory;

iii. Having reviewed the Independent Auditor's management letter on accounting procedures and internal controls, we are satisfied with management's responses thereto;

iv. The accounting and reporting policies for the year ended 31 December 2024 are in accordance with IFRS Standards as issued by the International Accounting Standards Board, the Companies and Allied Matters Act 2020, and the Financial Reporting Council of Nigeria, (Amendment) Act 2023.

v. In our opinion, the scope and planning of the audit for the year ended 31 December 2024 were adequate and Management's responses to the Auditor's findings were satisfactory.

Mrs Blessing Odita
Chairman, Audit Committee
FRC/2025/PRO/NBA/004/580438
28 May 2025

Audit Committee members

1.	Mrs Blessing Odita	Chairman of the committee
2.	Nigel Bannerman	Member of the committee
3.	Christian Ejekam	Member of the committee

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RELATION TO THE PREPARATION OF THE FINANCIAL STATEMENTS

The directors of Sundry Foods Limited are responsible for the preparation of the financial statements that give a true and fair view of the financial position of the Company as at 31 December 2024, and the results of its operations, cash flows and changes in equity for the year then ended, in compliance with IFRS Accounting Standards as issued by the International Accounting Standards Board and in the manner required by the Companies and Allied Matters Act of Nigeria, and the Financial Reporting Council of Nigeria (Amendment) Act, 2023.

In preparing the Company's financial statements, the Directors are responsible for:

- properly selecting and applying accounting policies;
- presenting information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- providing additional disclosures when compliance with the specific requirements in IFRSs are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the Company's financial position and financial performance; and
- making an assessment of the Company's ability to continue as a going concern.

The directors are responsible for:

- designing, implementing and maintaining an effective and sound system of internal controls throughout the Company;
- maintaining adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company, and which enable them to ensure that the financial statements of the Company comply with IFRS;
- The directors accept responsibility for the annual financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates, in conformity with the IFRS Accounting Standards as issued by the International Accounting Standards Board, the provisions of the Companies and Allied Matters Act, 2020 and in compliance with the Financial Reporting Council of Nigeria (Amendment) Act, 2023.
- taking such steps as are reasonably available to them to safeguard the assets of the Company; and
- preventing and detecting fraud and other irregularities.

Nothing has come to the attention of the Directors to indicate that the Company will not remain a going concern for at least twelve months from the date of this assessment.

The financial statements of the Company for the year ended 31 December 2024 were approved by management on 28 May 2025.

On behalf of the Directors of the Company.

Adedotun Sulaiman	***Ebele Enunwa***
Chairman	***Managing Director/CEO***
FRC/2013/ICAN/00000002885	FRC/2013/PRO/ICAN/004/0000005106

STATEMENT OF CORPORATE RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

Certification Pursuant to Section 405(1) of Companies and Allied Matter Act, 2020

Pursuant to the provisions of Sections 405 of the Companies and Allied Matters Act 2020 (CAMA), the Managing Director and Financial Controller of Sundry Foods Limited "(the Company)" hereby certify as follows

a) We have reviewed the audited financial statements of the Company for the year ended 31 December 2024

b) The audited financial statements represent the true and correct financial position of our Company as 31 December 2024

c) That the audited financial statements do not contain any untrue statement of material fact or omit to state a material fact which would make the statements misleading

d) That the audited financial statements fairly present, in all material respect, the financial condition and results of operations of the Company as of and for the year ended 31 December 2024

e) That we are responsible for establishing and maintaining the Company's internal controls. We assessed the effectiveness of the Company 's internal controls within 90days prior to the date of its audited financial statements and based on our assessment, the controls are effective as at that date.

f) We have disclosed to the Company's auditor and Audit committee whether or not, there is any fraud that involves management or other employees who have a significant role in the Company's internal control.

g) We affirm that subsequent to our assessment, there are no significant changes in internal controls or in other factors that could significantly affect internal controls.

SIGNED

Ebele Enunwa
Managing Director/CEO
FRC/2013/PRO/ICAN/004/00000005106

Ben Michael
Financial Controller
FRC/2025/PRO/ICAN/001/242956

CERTIFICATION OF MANAGEMENT ASSESSMENT'S ON INTERNAL CONTROL OVER FINANCIAL STATEMENTS

To comply with the provisions of Section 11 of SEC Guidance on implementation of Sections 60-63 of Investments and Securities Act 2007, we hereby make the following statements regarding the Internal Controls of Sundry Foods Limited for the year ended 31 December 2024.

I Ebele Enunwa, certify that:

a) I have reviewed this management assessment on Internal control over financial reporting of Sundry Foods Limited.

b) Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the Statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report.

c) Based on my knowledge, the financial statements, and other financial information included in this report, present in all material respects the financial condition, results of operations and cash flows of the entity as of, and for, the periods presented in this report.

d) The entity's other certifying officer and I:

1) are responsible for establishing and maintaining internal controls;

2) have designed such Internal controls and procedures, or caused such internal controls and procedures to be designed under our supervision, to ensure that material information relating to the entity, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

3) have designed such internal control system, or caused such internal control system to be designed under our supervision to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

4) have evaluated the effectiveness of the entity's internal controls and procedures as of a date within 90 days prior to the report and presented in this report our conclusions about the effectiveness of the internal controls and procedures as of the end of the period covered by this report based on such evaluation;

e) The entity's other certifying officer and I have disclosed, based on our most recent evaluation of internal control system, to the entity's auditor and the audit committee of the entity's board of directors;

1) All significant deficiencies and material weaknesses in the design or operation of the internal control system which are reasonably likely to adversely affect the entity's ability to record, process, summarize and report financial information: and

2) Any fraud, whether or not material, that involves management or other employees who have a significant role in the entity's internal control system.

f) The entity's other certifying officer and I have identified, in the report whether or not there were significant changes in internal controls or other facts that could significantly affect internal controls subsequent to the date of their evaluation including any corrective actions with regard to significant deficiencies and material weaknesses.

Ebele Enunwa
Managing Director/CEO
FRC/2013/PRO/ICAN/004/00000005106
28 May 2025

CERTIFICATION OF MANAGEMENT ASSESSMENT'S ON INTERNAL CONTROL OVER FINANCIAL STATEMENTS (CONT'D)

I Ben Michael, certify that:

a) I have reviewed this management assessment on Internal control over financial reporting of Sundry Foods Limited.

b) Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the Statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report.

c) Based on my knowledge, the financial statements, and other financial information included in this report, present in all material respects the financial condition, results of operations and cash flows of the entity as of, and for, the periods presented in this report.

d) The entity's other certifying officer and I:

1) are responsible for establishing and maintaining internal controls;

2) have designed such Internal controls and procedures, or caused such internal controls and procedures to be designed under our supervision, to ensure that material information relating to the entity, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

3) have designed such internal control system, or caused such internal control system to be designed under our supervision to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

4) have evaluated the effectiveness of the entity's internal controls and procedures as of a date within 90 days prior to the report and presented in this report our conclusions about the effectiveness of the internal controls and procedures as of the end of the period covered by this report based on such evaluation;

e) The entity's other certifying officer and I have disclosed, based on our most recent evaluation of internal control system, to the entity's auditor and the audit committee of the entity's board of directors;

1) All significant deficiencies and material weaknesses in the design or operation of the internal control system which are reasonably likely to adversely affect the entity's ability to record, process, summarize and report financial information: and

2) Any fraud, whether or not material, that involves management or other employees who have a significant role in the entity's internal control system.

f) The entity's other certifying officer and I have identified, in the report whether or not there were significant changes in internal controls or other facts that could significantly affect internal controls subsequent to the date of their evaluation including any corrective actions with regard to significant deficiencies and material weaknesses.

Ben Michael
Financial Controller
FRC/2025/PRO/ICAN/001/242956
28 May 2025

MANAGEMENT'S REPORT ON THE ASSESSMENT OF INTERNAL CONTROL OVER FINANCIAL REPORTING

To comply with the provisions of Section 11 of SEC Guidance on implementation of Sections 60-63 of Investments and Securities Act 2007, we hereby make the following statements regarding the Internal Controls of Sundry Foods Limited for the year ended 31 December 2024.

i. Sundry Foods Limited's management is responsible for establishing and maintaining a system of Internal control over financial reporting ('ICFR") that provides reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with International Financial Reporting Standards.

ii. Sundry Foods Limited's management used the Committee of Sponsoring Organization of the Treadway Commission (COSO) Internal Control-Integrated Framework to conduct the required evaluation of the effectiveness of the entity's ICFR.

iii. Sundry Foods Limited's management has assessed that the entity's ICFR as of the end of 31 December 2024 is effective.

iv. Sundry Foods Limited's external auditor Messrs. Ernst and Young that audited the financial statements, included in the annual report, has issued an attestation report on management's assessment of the entity's internal control.

Ebele Enunwa
Managing Director/CEO
FRC/2013/PRO/ICAN/004/00000005106

Ben Michael
Financial Controller
FRC/2025/PRO/ICAN/001/242956

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Independent Auditor's Attestation Report on Management's Assessment of Internal Control over Financial Reporting

To the members of Sundry Foods Limited

Scope

We have been engaged by Sundry Foods Limited ('the Company') to perform a 'limited assurance engagement', based on International Standards on Assurance Engagements Other Than Audits or Reviews of Historical Financial Information ('ISAE 3000 (Revised)') and Financial Reporting Council of Nigeria Guidance on Assurance Engagement Report on Internal Control over Financial Reporting, herein referred to as 'the Engagement', to report on Sundry Foods Limited Internal Control over Financial Reporting (ICFR) (the "Subject Matter") contained in the Company's Management's Assessment on Internal Control over Financial Reporting as of 31 December 2024 (the "Report").

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that:

(1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;

(2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and

(3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements

Because of its inherent limitations, internal control over financial reporting may not prevent or detect all misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Criteria applied by Sundry Foods Limited

In designing, establishing and operating the Internal Control over Financial Reporting (ICFR) and preparing the Management's assessment of the Internal Control over Financial Reporting (ICFR), Sundry Foods Limited applied the requirements of Internal Control-Integrated Framework (2013) of the Committee of Sponsoring Organizations of the Treadway Commission (COSO) Framework and Financial Reporting Council of Nigeria Guidance on Management Report on Internal Control Over Financial Reporting ('Criteria'). Such Criteria were specifically designed to enable organizations effectively and efficiently develop systems of internal control that adapt to changing business and operating environments, mitigate risks to acceptable levels, and support sound decision making and governance of the organization; As a result, the subject matter information may not be suitable for another purpose.

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Independent Auditor's Attestation Report on Management's Assessment of Internal Control over Financial Reporting (Continued)

Sundry Foods Limited's management responsibilities

Sundry Foods Limited's management is responsible for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Sundry Foods Limited's Management's Assessment of the Internal Control over Financial Reporting as of 31 December 2024 in accordance with the Criteria.

Our responsibility is to express a conclusion on the design and operating effectiveness of the Internal Control over Financial Reporting based on our Assurance engagement.

We conducted our engagement in accordance with the International Standard for Assurance Engagements Other Than Audits or Reviews of Historical Financial Information ('ISAE 3000 (Revised)') and FRC Guidance on Assurance Engagement Report on Internal Control over Financial Reporting, those standards require that we plan and perform our engagement to obtain limited assurance on the entity's internal control over financial reporting based on our assurance engagement.

Our independence and quality management

We have maintained our independence and confirm that we have met the requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants (IESBA code) and have the required competencies and experience to conduct this assurance engagement.

We also apply International Standard on Quality Management 1, Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services engagements, which requires that we design, implement, and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Description of procedures performed

The procedures we performed included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk.

Our engagement also included performing such other procedures as we considered necessary in the circumstances. We believe the procedures performed provide a basis for our report on the internal control put in place by management over financial reporting.

Conclusion

In conclusion, nothing has come to our attention to indicate that the internal control over financial reporting put in place by management as contained and assessed in Sundry Foods Limited's Management Assessment on Internal Control over Financial Reporting is not adequate as of 31 December 2024, based on the requirements of Committee of Sponsoring Organizations of the Treadway Commission (COSO) Framework and Financial Reporting Council of Nigeria Guidance on Management Report on Internal Control Over Financial Reporting.

Other Matter

We also have audited, in accordance with the International Standards on Auditing, the financial statements for the year ended 31 December 2024 of Sundry Foods Limited and we expressed an unmodified opinion in our Auditor's report dated 5 June 2025. Our conclusion is not modified is respect of this matter.

Omolola A. Alebiosu, FCA
FRC/2012/PRO/ICAN/004/00000000145
For: Ernst & Young
Lagos, Nigeria
5 June 2025

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INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF SUNDRY FOODS LIMITED
Report On the Audit of the Financial Statements

Opinion

We have audited the financial statements of Sundry Foods Limited ('the Company'), which comprise the statement of financial position for the year ended 31 December 2024, and the statement of profit or loss and other comprehensive income, statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of Sundry Foods Limited for the year ended 31 December 2024 , and its financial performance and cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by International Accounting Standards Board, the provisions of the Companies and Allied Matters Act, 2020 and in compliance with the Financial Reporting Council of Nigeria (Amendment) Act,2023.

Basis for Opinion

We conducted our audit in accordance with the International Standards on Auditing (ISA). 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 the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Nigeria, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other matter

The financial statements of Sundry Foods Limited for the year ended 31 December 2023 were audited by another auditor who expressed an unmodified opinion on those financial statements on 27 May , 2024.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the document titled "Sundry Foods Limited Annual Reports for the year ended 31 December 2024 ", which includes the Corporate information, Report of the Directors, Statement of Directors Responsibilities in Relation to the Preparation of the financial Statements, Statement of Corporate Responsibilities for the Financial Statement, Certification of Management Assessment on Internal Control over Financial Reporting and Other National Disclosures. The other information does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion 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, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF SUNDRY FOODS LIMITED
Report On the Audit of the Financial Statements (Continued)

Responsibilities of the Directors for the Financial Statements

The directors are responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board, the provisions of the Companies and Allied Matters Act, 2020 and in compliance with the Financial Reporting Council of Nigeria (Amendment) Act, 2023, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatements, 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.

Auditor's Responsibilities for the Audit of Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatements, 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 the ISA 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.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF SUNDRY FOODS LIMITED
Report On the Audit of the Financial Statements (Continued)

Report On Other Legal and Regulatory Requirements

In accordance with the requirement of the Fifth Schedule of the Companies and Allied Matters Act, 2020, we confirm

i) We have obtained all the information and explanations which to the best of our knowledge and belief, were necessary for the purpose of our audit;
ii) In our opinion, proper books of account have been kept by the Company, in so far as it appears from our examination of those books;
iii) The Company's statement of financial position and statement of profit or loss and other comprehensive income are in agreement with the books of account.

In accordance with the requirements of the Financial Reporting Council of Nigeria (FRC) Guidance on Assurance Engagement Report on Internal Control over Financial Reporting:

We performed a limited assurance engagement and reported on management's assessment of the Company's internal control over financial reporting as of December 31, 2024. The work performed was done in accordance with the International Standard for Assurance Engagements Other Than Audits or Reviews of Historical Financial Information ('ISAE 3000 (Revised)') and FRC Guidance on Assurance Engagement Report on Internal Control over Financial Reporting, and we have issued an unmodified attestation in our report dated 5 June 2025.

Omolola A. Alebiosu, FCA
FRC/2012/PRO/ICAN/004/00000000145
For: Ernst & Young
Lagos, Nigeria

5 June 2025

INSTITUTE OF CHARTERED ACCOUNTANTS OF NIGERIA
ICAN
0298299

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Notes	31-Dec-24 ₦'000	31-Dec-23 ₦'000
Revenue from contract with customers	6	72,881,812	43,608,153
Cost of sales	8	(42,396,180)	(26,051,812)
Gross profit		**30,485,632**	**17,556,341**
Other operating income	7	303,883	211,901
Administrative expenses	9	(19,135,178)	(11,826,680)
Selling and distribution expenses	10	(508,910)	(346,689)
Operating profit		**11,145,427**	**5,594,873**
Finance costs	11.1	(1,332,298)	(1,101,755)
Finance income	11.2	90,674	54,043
Profit before taxation	12	**9,903,803**	**4,547,161**
Income tax expense	13a	(3,426,539)	(1,431,627)
Profit for the year		**6,477,264**	**3,115,534**
Other comprehensive income, net of tax		-	-
Total comprehensive income for the year,net of tax		**6,477,264**	**3,115,534**
Basic earnings per share (in Naira)	14.1	**9.00**	**4.33**
Diluted earnings per share (in Naira)	14.2	**9.00**	**4.33**

The summary of material accounting policies and accompanying notes form an integral part of these financial statements.

STATEMENT OF FINANCIAL POSITION
As at 31 December 2024

	Notes	31-Dec-24 ₦'000	31-Dec-23 ₦'000
Assets			
Non-current assets			
Property, plant and equipment	15	16,669,528	13,288,927
Right of use assets	16	1,544,707	1,134,491
Total non-current assets		18,214,235	14,423,418
Current assets			
Inventories	17	5,469,241	2,671,468
Trade and other receivables	18	720,310	762,613
Other assets	20	2,708,568	2,245,003
Cash and cash equivalents	21	5,160,426	3,007,148
Total current assets		14,058,545	8,686,232
Total assets		**32,272,780**	**23,109,650**
Equity			
Share capital	22	720,000	720,000
Share premium	23	19,332	19,332
Retained earnings	24	12,841,989	7,588,725
Total equity		13,581,321	8,328,057
Liabilities			
Non-current liabilities			
Interest-bearing loans and borrowings	25	5,249,727	6,926,795
Lease liabilities	27(i)	672,796	442,491
Deferred tax	13.1	1,850,039	1,249,598
Total non-current liabilities		7,772,562	8,618,884
Current liabilities			
Interest-bearing loans and borrowings	25	1,714,582	563,778
Income tax payable	13.2	2,826,098	1,337,806
Lease liabilities	27(i)	34,694	22,818
Trade and other payables	28	6,343,523	4,238,306
Total current liabilities		10,918,897	6,162,708
Total liabilities		18,691,459	14,781,592
Total equity and liabilities		**32,272,780**	**23,109,650**

These financial statements were approved by the Board of Directors on 28 May 2025 and signed on its behalf by:

Adedotun Sulaiman

Adedotun Sulaiman
Chairman
FRC/2013/ICAN/00000002885

Ebele Enunwa
Managing Director/CEO
FRC/2013/PRO/ICAN/004/00000005106

Ben Michael
Financial Controller
FRC/2025/PRO/ICAN/001/242956

The summary of material accounting policies and accompanying notes form an integral part of these financial statements.

STATEMENT OF CHANGES IN EQUITY

	Share capital ₦'000	Share premium ₦'000	Retained earnings ₦'000	Total ₦'000
At 1 January 2023	**720,000**	**19,332**	**5,265,191**	**6,004,523**
Profit for the year	-	-	3,115,534	3,115,534
Other comprehensive income; net of tax	-	-	-	-
Total comprehensive income for the year, net of tax	-	-	3,115,534	3,115,534
Dividend declared (Note 23)	-	-	(792,000)	(792,000)
At 31 December 2023	**720,000**	**19,332**	**7,588,725**	**8,328,057**
At 1 January 2024	**720,000**	**19,332**	**7,588,725**	**8,328,057**
Profit for the year	-	-	6,477,264	6,477,264
Other comprehensive income; net of tax	-	-	-	-
Total comprehensive income for the year, net of tax	-	-	6,477,264	6,477,264
Dividend declared (Note 23)	-	-	(1,224,000)	(1,224,000)
At 31 December 2024	**720,000**	**19,332**	**12,841,989**	**13,581,321**

The summary of material accounting policies and accompanying notes form an integral part of these financial statements.

STATEMENT OF CASH FLOWS

	Notes	31-Dec-24 ₦'000	31-Dec-23 ₦'000
Cash flows from operating activities			
Receipts from customers		72,842,561	43,505,864
Payments to suppliers and employees		(59,074,253)	(36,279,751)
Cash provided by operating activities	31	13,768,308	7,226,113
Income taxes paid	13.2	(1,230,347)	(640,512)
Net cash provided by operating activities		**12,537,961**	**6,585,601**
Cash flows from investing activities			
Payments for property, plant and equipment	15	(6,444,372)	(3,894,325)
Payments for right of use assets	16.1	(587,369)	(337,542)
Proceeds from disposal of property, plant and equipment		2,958	23,305
Net cash used in investing activities		**(7,028,783)**	**(4,208,562)**
Cash flows from financing activities			
Dividend paid to owners of the Company	28.7	(1,562,698)	(712,800)
Interest paid	25	(1,129,954)	(1,077,934)
Proceeds from long term loan	25	-	5,500,000
Repayment of long term loan	25	(579,291)	(2,173,398)
Repayment of lease liabilities	27(i)	(162,680)	(60,657)
Proceeds from short term loan	26 (iii)	-	1,900,000
Repayment of short term loan	26 (iii)	-	(4,662,788)
Net cash used in financing activities		**(3,434,623)**	**(1,287,577)**
Net increase in cash and cash equivalents		2,074,556	1,089,462
Cash and cash equivalents at beginning of the year		3,007,148	1,868,643
Exchange gain	7	78,722	49,043
Cash and cash equivalents at end of the year	21	**5,160,426**	**3,007,148**

The summary of material accounting policies and accompanying notes form an integral part of these financial statements.

Notes to the financial statements

1. Reporting entity

Sundry Foods Limited is situated at 23 Nzimiro Street, Old GRA, Port Harcourt. The company was incorporated in Nigeria on 8 December 2003 and commenced business on 2 October 2004. The company is primarily involved in the provision of food services i.e. developing and operating restaurants and bakeries and providing catering services to individuals and corporate entities.

2.1 Basis of preparation

a Statement of compliance

The financial statements have been prepared in accordance with IFRS Accounting Standards as issued by International Accounting Standards Board and interpretations issued by the IFRS Interpretations Committee (IFRS IC) applicable to companies reporting under IFRS, Companies and Allied Matters Act of Nigeria, and the Financial Reporting Council of Nigeria (Amendment) Act, 2023.

b Functional and presenataion currency

These financial statements are presented in Naira, which is the Company's functional currency. All financial information presented in Naira has been rounded to the nearest thousands, except when otherwise indicated.

c Use of estimates and judgments

The preparation of the financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

Information about assumptions, estimation uncertainties, and critical judgments in applying accounting policies that have a significant effect on the amounts recognized in the financial statements.

d Going Concern

As at the time of approving the financial statements, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing financial statements.

2.2 New and amended IFRS Standards that are effective for the current year

In the current year, the Company has adopted a number of amendments to IFRS Accounting standards that are mandatorlly effective for an accounting period that begins on or after 1 January 2024. Their adoption has not had any material impact on the disclosures or on the amounts reported in these financial statements.

Notes to the financial statements (Cont'd)

2.2 New and amended IFRS Standards that are effective for the current year (Cont'd)

IFRS 17 Insurance Contracts (including the June 2020 and December 2021 Amendments to IFRS 17)
The Company has adopted IFRS 17 and the related amendments for the first time in the current year. IFRS 17 establishes the principles for the recognition, measurement, presentation and disclosure of insurance contracts and supersedes IFRS 4 Insurance Contracts.

IFR5 17 outlines a general model, which is modified for insurance contracts with direct participation features, described as the variable fee approach. The general model is simplified if certain criteria are met by measuring the liability for remaining coverage using the premium allocation approach. The general model uses current assumptions to estimate the amount, timing and uncertainty of future cash flows and it explicitly measures the cost of that uncertainty. It takes into account market interest rates and the impact of policyholders' options and guarantees.

The Company does not have any contracts that meet the definition of an insurance contract under IFRS 17.

Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2 Making Materiality Judgements—Disclosure of Accounting Policies
The Company has adopted the amendments to lA5 1 for the first time in the current year. The amendments change the requirements in IAS 1 with regard to disclosure of accounting policies. The amendments replace all instances of the term ‘significant accounting policies‘ with ’material accounting policy information‘. Accounting policy information is material if, when considered together with other information included in an entity*s financial statements, it can reasonably be expected to influence decisions that the primary users of general-purpose financial statements make on the basis of those financial statements.

The supporting paragraphs in IAS 1 are also amended to clarify that accounting policy information that relates to immaterial transactions, other events or conditions is immaterial and need not be disclosed. Accounting policy information may be material because of the nature of the related transactions, other events or conditions, even if the amounts are immaterial. However, not all accounting policy information relating to material transactions, other events or conditions is itself material.

The IASB has also developed guidance and examples to explain and demonstrate the application of the ’four-step materiality process’ described in IFRS Practice Statement 2.

Notes to the financial statements (Cont'd)

2.2 New and amended IFRS standards that are effective for the current year (cont‘d)

Amendments to IAS 12 Income Taxes—Deferred Tax related to Assets and Liabilities arising from a Single Transaction
The Company has adopted the amendments to IAS 11 for the first time in the current year. The amendments introduce a further exception from the initial recognition exemption. Under the amendments, an entity does not apply the initial recognition exemption for transactions that give rise to equal taxable and deductible temporary differences. Depending on the applicable tax law, equal taxable and deductible temporary differences may arise on initial recognition of an asset and liability in a transaction that is not a business combination and affects neither accounting profit nor taxable profit.

Following the amendments to IAS 12, an entity is required to recognise the related deferred tax asset and liability, with the recognition of any deferred tax asset being subject to the recoverability criteria in IAS 12.

Amendments to IAS 12)ncome Taxes — international Tax Reform—Pillar Two Model Rules‟

The Company has adopted the amendments to IAS 12 for the first time in the current year. The IASB amends the scope of IAS 12 to clarify that the Standard applies to income taxes arising from tax law enacted or substantively enacted to implement the Pillar Two model rules published by the OECD, including tax law that implements qualified domestic minimum top up taxes described in those rules.

The amendments introduce a temporary exception to the accounting requirements for deferred taxes in IAS 12, so that an entity would neither recognise nor disclose information about deferred tax assets and liabilities related to Pillar Two income taxes.

Following the amendments, the Company is required to disclose that it has applied the exception and to disclose separately its current tax expense (income) related to Pillar Two income taxes."

Amendments to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors—Definition of Accounting Estimates
The company has adopted the amendments to IAS 8 for the first time in the current year. The amendments replace the definition of a change in accounting estimates with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty” The definition of a change in accounting estimates was deleted.

2.3 New and revised IFRS Standards in issue but not yet effective.

The company has not applied the following new and revised IFRS accounting standards that have been issued but are not yet effective:

Notes to the financial statements (Cont'd)

2.3 New and revised IFRS Standards in issue but not yet effective (cont'd)

New standards/Amendments	Description	Effective Date
Amendments to IFRS 10 and IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture Classification of Liabilities as Current or Con- current	The IASB has not Set Effective Date
Amendments to IAS 21	Lack of Exchangeability-The Effects of Changes in Foreign Exchange Rates	1 January 2025
Amendments to IFRS 9 and 7	Classification and Measurement of Financial Instruments including Disclosures	1 January 2026
New standards IFRS 18	Presentation and Disclosure in Financial Statements	1 January 2027
New standards IFRS 19	Subsidiaries without Public Accountability: Disclosures	1 January 2027

The directors do not expect that the adoption of the Standards listed above will have a material impact on the financial statements of the Company in the future periods.

3. Material accounting polices

a Basis of measurement

The financial statements have been prepared on a historical cost basis except as otherwise stated in the financial statements.

4. The Principal Accounting Policies are stated below:-

The material accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied in all the years presented.

4.1 Revenue

Revenue is measured based on the consideration to which the Company expects to be entitled in a contract with a customer and excludes amounts collected on behalf of third parties. The company recognizes revenue when it transfers control of a product or service to a customer."

Retail Sales of Foods and Drinks

The company produces and sells Food and Drinks directly to customers through its various outlets. Revenue is recognized when control of the products is transferred, being when the products are delivered to the Customers.

Payment of the transaction price is due immediately at the point the customer purchases the goods.

Baked products

The company produces and sells baked products to distributors and directly to customers through its various outlets and supermarkets.

Revenue is recognized when control of the goods has been transferred, being the point the customer purchased the goods at outlets. Payment of the transaction is due immediately at the point the distributor and customer purchase the goods.

Notes to the financial statements (Cont'd)

4.1 Revenue (Cont'd)

Wholesale of Food and Drink (Catering Sales)

The company produces and sells wholesale food and drinks to corporate entities by providing catering services to the staff and event catering to individuals. Revenue is recognized at the time when control of the goods has transferred to the customer being the point goods delivered to the customer at the facility and the staff have been served the food and/or drink.

A receivable is recognized by the Company when the goods are delivered to the entity as this represents the point in time at which the right to consideration becomes unconditional, as only the passage of time is required before payment is due.

4.2 Other income

This comprises rental income, finance income, gain from disposal of property, plant and equipment and Industrial training fund reimbursement and insurance claims.

Income arising from disposal of items of property, plant and equipment and scraps is recognised at the time when the sales have been made. The profit on disposal is calculated as the difference between the net proceeds and the carrying amount of the assets.

Finance income comprises interest income on short-term deposits with banks. Interest income on short-term deposits is recognised by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the asset's net carrying amount on initial recognition. Interest income is recognised in the statement of profit or loss and other comprehensive income as it accrues, using the effective interest method.

4.3 Expenditure

Expenditures are recognised as they accrue during the course of the year. Analysis of expenses recognised in the statement of profit or loss and other comprehensive income is presented in a classification based on the function of the expense as this provides information that is reliable and more relevant than their nature.

The company classifies it expenses as follows:
Cost of sales;
Selling and distribution expenses
Administration expenses;

Finance costs comprise interest expense on borrowings and borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset and they are recognized in profit or loss using the effective interest method.

4.4 Property, plant and equipment

(i) Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. Cost includes expenditures that are directly attributable to the acquisition of the asset.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property and equipment.

(ii) Subsequent cost

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The costs of the day-to-day servicing of property, plant and equipment are recognised in the profit or loss as incurred.

Notes to the financial statements (Cont'd)

4.4 Property, plant and equipment (Cont'd)

(iii) Depreciation

Depreciation is charged to the statement of profit or loss and other comprehensive income on a straight-line basis to write down the cost of each asset, to their residual values over the estimated useful lives of each part of an item of property, plant and equipment. Depreciation begins when an asset is available for use and ceases at the earlier of the date that the asset is derecognised, disposed or classified as held for sale. Land is not depreciated as it is deemed to have an infinite life.

The depreciation rate for the current and corresponding years are as follows:

Land	Not depreciated
Buildings	25 years
Office fittings and equipment	2 - 4 years
Shop fittings	4 years
Motor vehicles	4 years
Bakery and kitchen equipment	5 years

Depreciation methods, useful life and residual values are reviewed at each reporting date.

Capital Work In progress

Items of capital work in progress relate to capital expenditures yet to be transferred to Property, Plants and Equipment still work in progress.

(iv) Derecognition

An item of property, plant and equipment is derecognised on disposal or when no future economic benefits are expected from its use. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the profit or loss in the year the asset is derecognised.

4.5 Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is based on First In First Out (FIFO) principle and includes expenditure incurred in acquiring the inventories, and other costs incurred in bringing them to their existing location and condition. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

Raw and packaging materials are recognized at original cost comprising invoice price, duty, freight, and handling charges.

4.6 Taxation

Uncertainties exist with respect to the amount and timing of future taxable income. Given the complexity of existing contractual agreement, differences arising between the actual results and the assumptions made could necessitate future adjustment to tax income and expenses already recorded. The Company establishes provisions based on reasonable estimates.

Notes to the financial statements (Cont'd)

5 Taxation (Cont'd)

Current Tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the statement of profit or loss and other comprehensive income because of items of income or expense that are taxable or deductible in future years and items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. The carrying amount of deferred tax assets is reviewed at the end of the reporting period and reduced to the extent that is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

5 Employee benefits

(i) Defined contribution plan

The Company operates a defined contribution pension scheme in line with the Pension Reform Act 2014 (amended). The Employees and the Company each contribute 8% & 10% respectively of basic salary, housing and transport allowances. The Company's contributions are accrued and charged to profit or loss as and when the relevant service is provided by the employees. The Company has no further payment obligations once the contributions have been paid.

(ii) Short term benefits

The Company recognizes the cost of employee benefits immediately they are incurred and in the period they are incurred and include the following:

a) wages, salaries and pension contributions
b) paid annual leave and paid sick leave
c) profit-sharing and bonuses
d) non-monetary benefits (such as medical care, housing, cars and other similar benefits) for current employees

(iii) Termination benefits

Termination benefits are recognised as an expense when the Company is demonstrably committed, without realistic possibility of withdrawal, to a formal detailed plan to terminate employment before the normal retirement date. It is recognised as an expense in profit or loss immediately the employee has disengaged from the Company's services. Termination benefits for voluntary redundancies are recognised if the Company has made an offer encouraging voluntary redundancy, it is probable that the offer will be accepted, and the number of acceptances can be estimated reliably.

Notes to the financial statements (Cont'd)

4.8 Provisions

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

A provision for restructuring is recognised when the Company has approved a detailed and formal restructuring plan, and the restructuring either has commenced or has been announced publicly. Future operating costs are not provided for.

A provision for onerous contracts is recognised when the expected benefits to be derived by the Company from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract.

4.9 Foreign currency translation

Transactions in foreign currencies are translated to the respective functional currencies of Sundry Foods Limited at the exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency at the exchange rate at that date. The foreign currency gain or loss arising on monetary items is the difference between remeasuring of these items at rates different from those at which they were either initially recognised (if in the period) or previously measured (at the end of the previous reporting period) Differences arising on settlement or translation of monetary items are recognised in profit or loss.

4.10 Cash and cash equivalents

Cash and cash equivalents include cash in hand, cash at bank and other financial instruments like placements, treasury bills etc with a duration below 90 days.

4.11 Share capital and reserves

(i) Share issue cost

Incremental costs directly attributable to the issue of an equity instrument are deducted from the initial measurement of the equity instruments.

(ii) Dividend on the Company's ordinary shares

Dividends on the Company’s ordinary shares are recognised in equity in the period in which they are paid or, if earlier, approved by the Company’s shareholders. Dividend that is proposed but not yet declared is disclosed in the notes to the financial statements.

4.12 Borrowing costs

Borrowing costs are written off to the profit or loss in the period in which they occur except for borrowing costs directly related to acquisition, construction and production of qualifying assets not yet put to use i.e work in progress. Such borrowing costs are capitalised with the respective assets and depreciated alongside these assets over the useful life in accordance with IAS 23. However, if the entity suspends activities related to the development of the asset for an extended period, capitalisation of borrowing costs should cease until such a time as the activities are resumed.

Capitalisation should cease when substantially all the activities necessary to prepare the qualifying assets for its intended use or sale are complete.

Notes to the financial statements (Cont'd)

4.13 Interest income and interest expense
Interest income and expenses are recognised as they are accrued in profit or loss, using the effective interest method.

4.14 Repairs and maintenance
Costs of repairs and maintenance are written off as and when incurred but major overhaul expenditure is capitalised and depreciated over the remaining life of the assets concerned.

4.15 Statement of cash flows
The statement of cash flows is prepared using the direct method. Changes in statement of financial position items that have not resulted in cash flows are eliminated for the purpose of preparing this statement. Dividends paid to ordinary shareholders are included in financing activities. Dividends received are classified as financing activities including Interest paid. Cash and cash equivalents includes cash in hand, cash balances with banks, short term commercial papers and investments in money market instruments.

4.16 Leases

The company as a lessee
The company assesses whether a contract is or contains a lease, at inception of the contract. The company recognises a right-to-use asset and a corresponding lease liability with respect to all lease agreements in which it is the lessee except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Company recognises the lease payment as an operating expense on a straight line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The company recognizes right-of-use assets at the commencement date of the lease(i.e the date the underlying asset is available for use). Right-of-use assets are measured at cost less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct cost incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on straight line basis over the shorter of the lease term and the estimateduseful lives of the assets. If ownership of the leased assets transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. Right-of-use assets are presented as non-current assets inthe statement of financial position, separately from property, plant and equipment.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the lessee uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise:

- Fixed Lease Payments (including in-substance fixed payments) less any lease incentive receivable;
- Variable lease payments that depends on an index or rate, initially measures using the index or rate at the commencement date

Notes to the financial statements (Cont'd)

4.16 Leases (Cont'd)

- The exercise price of purchase option, if the lessee is reasonably certain to exercise the options; and
- Payment of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease

The lease liability is presented as a separate line in the statement of financial position. The company remeasured the lease liabilty (and makes a corresponding adjustment to the related right-of-use asset.

- The lease term has changed or there is a significant event or change in circumstance resulting in a change in the assessment of exercise of a purchase option, in which case the leae liability is remeasured by discounting the revised lease payment using a revised discount rate.

- The lease payment change due to changes in an index or rate or a change in expected payment under a guarantee residual value, in which case the lease liability is remeasured by discounting the revised lease payments using an unchanged discount rate(unless the lease payment change is due to a change in a floating interest rate, in which case a revised discount rate is used.

A lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured based on the lease term of the lease term of the modified lease by discounting the revised lease payment using a discount rate at the effective date if modification.

The company did not make any such adjustment during the periods presented.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulatd depreciation and impairement losses.

Whenever the Company incurs an obligation for costs to dismantle and remove a lease asset, restore the site on which it is located or restore the underlying assets to the condition required by the terms and conditions of the IAS 37 to the entent that the costs relate to a right-of-use assets, the costs are included in the related right-to-use assets, unless those costs are incured to produce inventories.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying assets. If a lease transfer ownership of the underlying asset or the cost of the right-of-use asset reflects that the Company expects to exercise a purchase option, the related right-of-use assets is depreciated over the useful life of the underlying asset.

The depreciation starts at the commencement date of the lease. The right-of-use assets are presented as a separate line in the Statement of Financial position.

The company applied IAS 36 to determine whether a right-of-use assets is impaired and accounts for any identified impairment loss as described in the 'Property, Plant and Equipment'

Variable rents that do not depend on an index or rate are not included in the measurement of the lease liability and the right-of-use asset. The related payments are recognised as an expense in the period in which the event or condition that triggers those payment occurs and are included in 'other expenses' in profit or loss

Notes to the financial statements (Cont'd)

4.17 Financial Instruments

Recognition and derecognition
Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the financial instrument.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and substantially all the risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires Classification and initial measurement of financial assets

Except for those trade receivables that do not contain a significant financing component and are measured at the transaction price in accordance with IFRS 15, all financial assets are initially measured at fair value adjusted for transaction costs (where applicable).

Financial assets, other than those designated and effective as hedging instruments, are classified into one of the following categories:
- amortised cost
- fair value through profit or loss (FVTPL), or
- fair value through other comprehensive income (FVOCI).

In the periods presented the Company does not have any financial assets categorised as FVTPL or FVOCI.

The classification is determined by both:
- the entity’s business model for managing the financial asset, and
- the contractual cash flow characteristics of the financial asset.

All revenue and expenses relating to financial assets that are recognised in profit or loss are presented within finance costs, finance income or other financial items.

Subsequent measurement of financial assets
Financial assets at amortised cost:
- Financial assets are measured at amortised cost if the assets meet the following conditions (and are not designated as FVTPL):
- they are held within a business model whose objective is to hold the financial assets and collect its contractual cash flows, and the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial recognition, these are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial.

Impairment of Financial assets
IFRS 9’s impairment requirements use forward-looking information to recognise expected credit losses – the ‘expected credit loss (ECL) model’.

Instruments within the scope of the requirements included loans and other debt-type financial assets measured at amortised cost and FVOCI, trade receivables, and loan commitments and some financial guarantee contracts (for the issuer) that are not measured at fair value through profit or loss

Notes to the financial statements (Cont'd)

4.17 Financial Instruments (Cont'd)

Trade and other receivables

The company makes use of a simplified approach in accounting for trade and other receivables as well as contract assets and records the loss allowance as lifetime expected credit losses. These are the expected shortfalls in contractual cash flows, considering the potential for default at any point during the life of the financial instrument.In calculating, the Company uses its historical experience, external indicators and forward-looking information to calculate the expected credit losses using a provision matrix.

The company assesses impairment of trade receivables on a collective basis as they possess shared credit risk characteristics they have been grouped based on the days past due.

The company applies the IFRS 9 simplified model of recognising lifetime expected credit losses for all trade receivables as these items do not have a significant financing component.

In measuring the expected credit losses, the trade receivables have been assessed on a collective basis as they possess shared credit risk characteristics. They have been grouped based on the days past due. The expected loss rates are based on the payment profile for sales over the past 12 months before 31 December 2024 and 31 December 2023 respectively as well as the corresponding historical credit losses during that period. The historical rates are adjusted to reflect current and forwarding looking macroeconomic factors affecting the customer’s ability to settle the amount outstanding.

Classification and measurement of financial liabilities

The company’s financial liabilities include loan and borrowings, lease liabilities and trade and other payables.

Financial liabilities are initially measured at fair value, and, where applicable, adjusted for transaction costs unless the Company designated a financial liability at FVTPL.

Subsequently, financial liabilities are measured at amortised cost using the effective interest method except for financial liabilities designated at FVTPL, which are carried subsequently at fair value with gains or losses recognised in profit or loss.

All interest-related charges and, if applicable, changes in an instrument’s fair value that are reported in profit or loss are included within finance costs or finance income.

4.18 Income taxation

Tax expense recognised in profit or loss comprises the sum of deferred tax and current tax not recognised in other comprehensive income or directly in equity.

The calculation of current and deferred tax is based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period. Deferred income taxes are calculated using the liability method.

The carrying amounts of deferred tax are reviewed at the end of each reporting period on the basis of its most likely amount and adjusted if needed.

4.18 Income taxation (Cont'd)

Assessing the most likely amount of current and deferred tax in case of uncertainties (eg as a result of the need to interpreting the requirements of the applicable tax law), requires the Company to apply judgments in considering whether it is probable that the taxation authority will accept the tax treatment retained.

Deferred Tax Assets

Deferred tax assets are recognised to the extent it is probable that the underlying tax loss or deductible temporary difference will be utilised against future taxable income. This is assessed based on the Company's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss or credit.

Deferred Tax liabilities

Deferred tax liabilities are generally recognised in full, although IAS 12 specifies limited exemptions. As a result of these exemptions the Company does not recognise deferred tax on temporary differences relating to goodwill, or to its investments in subsidiaries (only to the extent that the Company control the timing of the reversal of the taxable temporary difference and that reversal is not likely to occur in the foreseeable future). The Company does not offset deferred tax assets and liabilities unless it has a legally enforceable right to do so and intends to settle on a net basis.

5. Critical accounting judgements and key sources of estimation uncertainty

In applying the accounting policies, which are described in Note 3, the Directors are required to make judgements (other than those involving estimations) that have a significant impact on the amounts recognised and to make estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources.

The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

5.1 Criticai judgements in applying the accounting policies

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

Significant increase in credit risk

ECL are measured as an allowance equal to 12-month ECL for stage 1 assets, or lifetime. ECL for stage 2 or stage 3 assets. An asset moves to stage 2 when its credit risk has increased significantly since initial recognition. IFRS 9 does not define what constitutes a significant increase in credit risk. In assessing whether the credit risk of an asset has significantly increased, the Company takes into account qualitative and quantitative reasonable and supportable forward-looking information.

5.2 Key sources of estimation uncertainty

5.2.1 Property, plant and equipment

The charge in respect of periodic depreciation is derived after determining an estimate of an asset’s expected useful life and the expected residual value at the end of its life. Increasing an asset’s expected life or it’s residual value would result in the reduced depreciation charge in the statement of profit or loss and other comprehensive income.

The useful lives and residual values of the property, plant and equipment are determined by management based on historical experience as well as anticipation of future events and circumstances which may impact their useful lives.

5.2.2 Taxation

The company’s tax charge on ordinary activities is the sum of the total current and deferred tax charges. The calculation of the Company’s total tax charge necessarily involves a degree of estimation and judgment in respect of certain items whose treatment cannot be finally determined until resolution has been reached with the relevant tax authority. Under the Nigerian tax system, self-assessment returns are subjected to a desk review for the determination of tax due for remittance in the relevant year of assessment. This is however not conclusive as field audits are carried out within six years of the end of the relevant year of assessment to determine the adequacy or otherwise of sums remitted under self-assessment thus making tax positions uncertain.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. The bases is determine by the relevant tax authority.

5.2.3 Trade and other receivables

The Company assesses its trade receivables for impairment at the end of each reporting period. In determining whether an impairment should be recorded in profit or loss, the Company makes judgements as to whether there is observable data indicating a measurable decrease in the estimated future cash flows from a financial asset. See further details in Note 18.2

5.2.4 Lease

The Judgement on whether the Company is reasonably certain to exercise extension options is disclosed in Note 4.16

6 Revenue from contract with customers

	31-Dec-24 ₦'000	31-Dec-23 ₦'000
Sale of goods	**72,881,812**	**43,608,153**

6.1 Disaggregated revenue information

Set out below is the disaggregation of the Company’s revenue from contracts with customers:

The following is an analysis of the Company's revenue for the year

	31-Dec-24	31-Dec-23
Wholesale of Foods and Drinks (Catering Sales)	3,102,134	2,015,037
Mass Market of Baked Goods (Bakery Sales)	5,219,636	3,357,361
Retail Sale of Foods and Drinks (Restaurant Sales)	64,560,042	38,235,755
	72,881,812	**43,608,153**
Timing of revenue recognition		
Transferred over time to customers	3,102,134	2,015,037
Transferred at a point in time to customers	69,779,678	41,593,116
	72,881,812	**43,608,153**

6 Revenue from contract with customers (Cont'd)

6.2 Performance Obligation

This relates to revenue earned from the sale of food and catering services rendered to individuals and corporate entities. All revenue from credit sales have been recognized based on the performance obligation and transaction prices in the contract with the Customers. Generally, customers obtain control when the finished goods are delivered to the customers' premises. Invoices are generated at that point in time and payable on 30 days terms of payment.

Geographical markets within the Country	**72,881,812**	**43,608,153**

6.3 Contract balances

	31-Dec-24 ₦'000	31-Dec-23 ₦'000
Trade receivables	599,281	712,998

7 Other income

	31-Dec-24 ₦'000	31-Dec-23 ₦'000
Rental income	172,097	112,233
Insurance claims	-	30,356
Industrial trainning funds reimbusement	9,627	6,219
Sale of scrap (Note 7.1)	39,758	-
Recovered bank balance	720	-
Exchange gain (Note 7.2)	78,722	49,043
Gain on disposal of Property Plant and Equipment	2,958	14,050
	303,883	**211,901**

7.1 Sale of scrap includes the sale of used cooking oil, bags, cartons and other waste items to promote recycling.

7.2 The exchange gain was earned on the revaluation of the foreign currency balances at year-end using the CBN -NFEM closing rate. The ₦78,722 million is unrealised exchange gain on the outstanding foreign cash balances at bank as at 31 December 2024 (2023: ₦49,043 million).

8 Cost of sales

	31-Dec-24 ₦'000	31-Dec-23 ₦'000
Raw materials	36,681,081	22,582,792
Stock adjustment and write-off (Note 17)	169,970	-
Production costs (Note 8b)	5,545,129	3,469,020
	42,396,180	**26,051,812**

8a Production costs

Consumables	542,719	247,597
Diesel and gas	4,502,780	2,890,376
Fuel and lubricants	115,031	72,583
Others (8b)	384,599	258,464
	5,545,129	**3,469,020**

8b Others

Non-trading items	29,216	20,139
Carriage inward	355,383	238,325
	384,599	**258,464**

Non- trading items relates to the cleaning materials.

Notes to the financial statements (Cont'd)

		31-Dec-24	31-Dec-23
9	**Administrative expenses**	**₦'000**	**₦'000**
	Audit fees	25,000	25,000
	Property plant and equipment written off	-	4,800
	Bank charges	123,894	84,840
	Couriers and postage	16,171	8,011
	Depreciation:		
	- Property, plant and equipment (Note 15)	2,985,791	2,234,428
	- Right of use assets (Note 16)	255,130	176,916
	Directors renumerations	135,802	101,668
	Expected credit loss of trade receivables (Note 19)	160,400	2,362
	Insurance	125,129	95,492
	Legal and professional expenses (Note 9.4)	100,389	53,446
	Other staff expenses (Note 9.1)	1,099,879	705,972
	Printing and stationeries	72,495	47,186
	Rates and levies	55,669	44,614
	Repairs and maintenance	1,306,240	729,668
	Rent expenses	745,063	575,694
	Salaries and wages (Note 9.2)	7,960,829	4,861,728
	Sanitation	385,192	222,063
	Security expenses	454,696	293,892
	Transport, travelling and accommodation	436,126	253,495
	Telephone and subscriptions	518,382	226,257
	Utilities (Note 9.3)	2,172,900	1,079,148
		19,135,178	**11,826,680**

9.1 Other staff expenses ralates to Pension, Industrial Training Funds and National Social Industrial Training Funds.

9.2 Salaries and wages include gross salaries, staff medical costs, staff welfare, and staff training.

9.3 Utilities relates to the total electricity used across the outlets.

9.4 Non-audit fees paid to Ernst and Young

Included in the legal and professional fee is the total non-audit fees paid to Ernst and Young for the year ended 31 December 2024 amounted to N8 million (2023: Nil). This fee pertains to the review of the Internal Control Over Financial reporting (ICFR) conducted for the year ended 31 December 2024 (2023: Nil).

		31-Dec-24	31-Dec-23
10	**Selling and distribution expenses**	**₦'000**	**₦'000**
	Marketing expenses	**508,910**	**346,689**

The marketing expenses includes promotional costs, advertising costs and entertainment to create awareness for the business.

		31-Dec-24	31-Dec-23
11.1	**Finance costs**	**₦'000**	**₦'000**
	Interest on loan term (Note 25)	1,182,982	1,054,145
	Other finance charges (Note 27(i))	149,316	47,610
		1,332,298	**1,101,755**

Other finance charges relates to interest expense charged on lease liabilities.

Notes to the financial statements (Cont'd)

11.2 Finance income	**31-Dec-24 ₦'000**	**31-Dec-23 ₦'000**
Interest income	**90,674**	**54,043**

This represents interest on the call deposit, commercial paper investment, and fixed deposit. The commercial paper has a rate of 24.3 percent, while the fixed deposit rates range from 19 to 20 percent.

12 Profit before tax is stated after charging/(crediting):	**31-Dec-24 ₦'000**	**31-Dec-23 ₦'000**
Depreciation on property, plant and equipment	2,985,791	2,234,428
Depreciation on right of use assets	255,130	176,916
Directors' remuneration	135,802	101,668
Auditor's remuneration	25,000	25,000
Gain on disposal of property, plant and equipment	(3,778)	(14,050)

13 Taxation

(a) Income tax expense recognised in profit or loss

The tax charge for the year has been computed after adjusting for certain items of expenditure and income, which are not deductible or chargeable for tax purposes, and comprises:

Current tax expense	**31-Dec-24 ₦'000**	**31-Dec-23 ₦'000**
Company income tax	2,440,396	1,133,040
Education tax	385,207	204,765
Nigerian Police Trust Fund levy	495	1
	2,826,098	1,337,806
Deferred taxation (Note 13.1)	600,441	93,821
Total income tax expense recognised in the year	**3,426,539**	**1,431,627**

Corporation tax is calculated at 30 per cent (2023: 30 per cent) of the estimated taxable profit for the year. The charge for taxation in these financial statements is based on the provisions of the Companies Income Tax Act, CAP C21, LFN, 2004 as amended.

The charge for education tax of 3 percent (2023: 2.5 per cent) is based on the provisions of the Tertiary Education Trust Act 2011.

The charge for Nigeria Police Trust Fund Levy is 0.005 percent of Profit before taxation of companies operating business in Nigeria. The charges is based on the provisions of the Nigeria Police Trust Fund Act 2019.

Notes to the financial statements (Cont'd)

13 Taxation - Cont'd

(b) **(b) Reconciliation of effective tax rate**

	31-Dec-24 ₦'000	31-Dec-23 ₦'000
Profit before taxation from continuing operation	9,903,803	4,547,161
Income tax expense calculated at 30% (2023: 30%)	2,971,141	1,364,148
Effect of income that is exempt from taxation	(669,869)	(1,734)
Effect of expenses that are not deductible in determining taxable profit	3,606,307	685,256
Education tax at 3% (2023: 2.5%) of assessable profit	385,207	204,765
Balancing charge	2,752	5,124
Capital allowances absorbed	(2,869,495)	(825,934)
Nigerian Police Trust Fund levy	495	1
	3,426,539	**1,431,627**
Effective tax rate	35%	31%

The tax rate used for the 2024 and 2023 reconciliations above is the corporate tax rate at 30% payable by corporate entities in Nigeria on taxable profits under Companies Income Tax Act, CAP C21 LFN 2004 as amended.

13.1 Deferred taxation

The following is an analysis of deferred tax liabilities presented in the statement of financial position.

	31-Dec-24 ₦'000	31-Dec-23 ₦'000
Deferred tax liabilities	**1,850,039**	**1,249,598**
Movement in deferred tax liability		
At 1 January	1,249,598	1,155,777
Charge to profit or loss (Note 13a)	600,441	93,821
At 31 December	**1,850,039**	**1,249,598**

Deferred tax assets and liabilities are offset where the Company has a legally enforceable right to do so. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

Notes to the financial statements (Cont'd)

13.1 Deferred taxation (Cont'd)

31-Dec-24 **Deferred tax liabilities in relation to:**	**Opening balance ₦'000**	**Recognised in profit or loss ₦'000**	**Closing balance ₦'000**
Property, plant and equipment	1,249,598	552,321	1,801,919
Expected credit loss on trade receivables	-	48,120	48,120
	1,249,598	**600,441**	**1,850,039**
31-Dec-23			
Deferred tax liabilities in relation to:			
Property, plant and equipment	1,155,777	93,821	1,249,598
	1,155,777	**93,821**	**1,249,598**

13.2 Income tax payable	**31-Dec-24 ₦'000**	**31-Dec-23 ₦'000**
Income tax	2,440,396	1,133,040
Education tax	385,207	204,765
Nigerian Police Trust Fund levy	495	1
	2,826,098	**1,337,806**
Income tax movement:		
At 1 January	1,337,806	672,049
Charge for the year	2,826,098	1,337,806
Payment	(1,337,806)	(672,049)
At 31 December	**2,826,098**	**1,337,806**
Analysis of tax paid during the year		
Payment by cash	1,230,347	640,512
Payment by tax credit	107,459	31,537
	1,337,806	**672,049**

14 Earnings per share	**31-Dec-24**	**31-Dec-23**
14.1 Basic earnings per share	**₦'000**	**₦'000**
Profit for the year attributable to owners of the Company	6,477,264	3,115,534
Weighted average number of ordinary shares (Unit'000)	720,000	720,000
Basic earnings per share (in Naira)	**9.00**	**4.33**

14.2 Diluted earnings per share

The earnings used in the calculation of diluted earnings per share is as follows:

	31-Dec-24 ₦'000	**31-Dec-23 ₦'000**
Earnings used in calculating diluted earnings per share	6,477,264	3,115,534

The weighted average number of shares for the purpose of diluted earnings per share reconciles to the weighted average number of ordinary shares used in the calculation of basic earnings per share as follows:

Weighted average number of ordinary shares used in the calculation of basic earnings per share (Unit'000)	720,000	720,000
Diluted earnings per share (in Naira)	**9.00**	**4.33**

15 Property, plant and equipment

	Land	Building	Office fittings and equipment	Shop fittings	Motor cars	Bakery and kitchen equipment	Capital work-in-progress	Total
	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000	₦'000
Cost								
At 1 January 2023	2,382,082	5,607,512	3,231,274	1,059,523	878,110	3,732,987	854,447	17,745,935
Additions	115,702	966,587	1,045,089	306,345	328,532	1,132,070	-	3,894,325
Write off	-	(1,386)	-	-	-	-	(3,414)	(4,800)
Disposal	-	-	(17,756)	-	(40,306)	-	-	(58,062)
At 31 December 2023	**2,497,784**	**6,572,713**	**4,258,607**	**1,365,868**	**1,166,336**	**4,865,057**	**851,033**	**21,577,398**
Additions	90,048	1,093,420	1,749,127	224,008	571,051	1,946,214	770,504	6,444,372
Reclassification	-	557,245	2,181	23,398	-	6,200	(589,024)	-
Reclassification to ROU assets	-	-	-	-	-	-	(77,977)	(77,977)
Write-off	-	(7,770)	-	-	-	-	-	(7,770)
Disposal	-	-	-	-	(9,544)	-	-	(9,544)
At 31 December 2024	**2,587,832**	**8,215,608**	**6,009,915**	**1,613,274**	**1,727,843**	**6,817,471**	**954,536**	**27,926,479**
Accumulated depreciation								
At 1 January 2023	-	1,423,373	1,904,084	607,202	418,527	1,749,667	-	6,102,853
Additions	-	412,959	752,552	212,178	191,566	665,173	-	2,234,428
Disposal	-	-	(17,756)	-	(31,051)	-	-	(48,807)
At 31 December 2023	**-**	**1,836,332**	**2,638,880**	**819,380**	**579,042**	**2,414,840**	**-**	**8,288,474**
Charge for the year	-	498,524	962,532	252,841	268,326	1,003,568	-	2,985,791
Write-off	-	(7,770)	-	-	-	-	-	(7,770)
Disposal	-	-	-	-	(9,544)	-	-	(9,544)
At 31 December 2024	**-**	**2,327,086**	**3,601,412**	**1,072,221**	**837,824**	**3,418,408**	**-**	**11,256,951**
Carrying Amount								
At 31 December 2024	**2,587,832**	**5,888,522**	**2,408,503**	**541,053**	**890,019**	**3,399,063**	**954,536**	**16,669,528**
At 31 December 2023	**2,497,784**	**4,736,381**	**1,619,727**	**546,488**	**587,294**	**2,450,220**	**851,033**	**13,288,927**

15 Property, plant and equipment (Cont'd)

15.1 Write-off of property, plant and equipment

The sum of N7.770 million was written off during the year as a result of discontinued operations in one of the Company's outlet which was shutdown during the year (2023: N4.8million). The sum relates to write-off of carrying amount attributed to building improvements for that outlet.

15.2 Assets pledged as security

The value of the Company assets under lien as at 31 December 2024 was NIL (2023: NIL).

15.3 Impairment of property, plant and equipment

There are no indicators of impairment at the end of the reporting period based on the assessment done by the management (2023: Nil). Therefore, the Directors are of the opinion that allowance for impairment is not required.

15.4 Capital work -in-progress

	31-Dec-24 ₦'000 Cost	31-Dec-23 ₦'000 Cost
	954,536	851,033

This relates to payment for building work in progress for contractors handling the Construction of new outlets during the year.

16 Right-of- Use Assets

	31-Dec-24 ₦'000	31-Dec-23 ₦'000
Cost		
As at January	2,034,503	1,646,103
Additions	665,346	388,400
		-
At 31 December	**2,699,849**	**2,034,503**
Depreciation		
As at January	900,012	723,096
Charge for the year	255,130	176,916
At 31 December	**1,155,142**	**900,012**
Carrying Amount	**1,544,707**	**1,134,491**

The company leases several assets including building and land. The average lease term is 10 years (2023: 10 years).

Approximately, Sixty two leases for buildings and land expired in the current financial year (2023: Twenty Five). The expired contracts were renewed for identical underlying assets. This resulted in additions to right-of-use assets of N665.3 million in 2024 (2023: N388.4 million). See Note 16.1.

16.1 Analysis of ROU Addition

	31-Dec-24 ₦'000	31-Dec-23 ₦'000
Right of use (Cash for the year)	587,369	337,542
Right of use (Non-Cash)	77,977	50,858
	665,346	388,400

The non-cash right of assets use relates to reclassification from the capital work in progress . See Note 15

Notes to the financial statements (Cont'd)

16 Right-of-Use Assets (Cont'd)

		31-Dec-24	31-Dec-23
16.1	**Amounts recognised in profit and loss**	**₦'000**	**₦'000**
	Depreciation expense on right of use assets	255,130	176,916
	Interest expense on lease liabilities (Note 27(i)	149,316	47,610
		404,446	**224,527**

The maturity analysis of lease liabilities is presented in Note 27

		31-Dec-24	31-Dec-23
17	**Inventories**	**₦'000**	**₦'000**
	Raw materials (frozen items, foodstuffs, groceries, packing item etc)	4,261,982	2,057,585
	Consumables (Non-trading items)	1,207,259	613,883
		5,469,241	**2,671,468**

The cost of inventories recognized as an expense during the year amounted to ₦42.396 billion (2023: ₦26.051 billion). This include direct raw materials, diesel and gas, and consumables.
During the year, inventories valued at ₦169.97 million were written down to the cost of sales, due to changes in transaction price of the stock item (2023: Nil).

There are no items of inventory pledged as security for any liability.

		31-Dec-24	31-Dec-23
18	**Trade and other receivables**	**₦'000**	**₦'000**
	Receivable from third party customers	619,021	579,770
	Expected credit loss on trade receivables (Note 19)	(186,636)	(26,236)
		432,385	553,534
	Receivable from related party (Note 32.1)	166,896	159,464
	Net trade recevables	599,281	712,998
	Other receivables		
	Staff advances	1,526	704
	Withholding tax receivable	95,228	42,466
	Food delivery application (Note 18.1)	2,967	-
	Interest receivable on fixed deposit	21,308	6,445
		121,029	49,615
	Trade and other receivables	**720,310**	**762,613**
	Gross trade receivables	**785,917**	**739,234**

Included in the Trade Receivable is an amount due from related party. The amount due from the related party represents the net value of raw materials transferred between the Company and Sundry Markets Limited at cost as both parties settle their transactions on a net basis.

18.1 The food delivery applications comprise balance from the collection agents (Glove and Chowdeck) as at 31 December 2024 (2023: Nil)

19 Allowance for expected credit loss of receivable from third party customers

	31-Dec-24	31-Dec-23
	₦'000	**₦'000**
At 1 January	26,236	23,874
Charge for the year	160,400	2,362
At 31 December	**186,636**	**26,236**

Receivable from related parties yet to be due for payment as at the 31 December 2024 and the current credit rating for forward looking is zero.

Notes to the financial statements (Cont'd)

19 Allowance for expected credit loss of receivable from third party customers (Cont'd)

In determining the recoverability of a trade receivable, the Company considers any change in the credit quality of the trade receivable from the date credit was initially granted up to the end of the reporting period. The average credit period on sales of goods is 45 days. No interest is charged on outstanding trade receivables.

The company always measures the loss allowance for trade receivables at an amount equal to lifetime ECL. The expected credit losses on trade receivables are estimated using a provision matrix by reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtors operate, and an assessment of both the current as well as the forecast direction of conditions at the reporting date. The Company has recognized a loss allowance of 100 per cent against all receivables over 180 days past due because historical experience has indicated that these receivables are generally not recoverable. The Company has made allowance of its receivable balance beyond the due date. However, these amounts have always been recovered subsequently. N186.636m allowance was made for recoverable as at 31 December 2024 (2023: N26.236m).

Concentration of credit risk with respect to customers are limited due to the Company's customer base being large and unrelated. Customers are assessed for creditworthiness and where appropriate the Company obtains security for its exposure to risk of default.

Trade receivables-Third party customers	**Past due nor impaired**	**Past due not impaired**	**Past due not impaired**	**Past due and impaired**	**Total**
	1-45 Days	**46-90 Days**	**91-180 Days**	**Over 180 Days**	
31-Dec-24	**₦'000**	**₦'000**	**₦'000**	**₦'000**	**₦'000**
Expected credit loss rate	9.90%	17.93%	36.56%	100%	
Estimated total gross carrying amount at default	88,239	300,384	167,652	62,746	619,021
Expected credit loss allowance	**8,736**	**53,859**	**61,295**	**62,746**	**186,636**
31-Dec-23					
Expected credit loss rate	3.01%	4.81%	11.62%	100%	
Estimated total gross carrying amount at default	220,035	338,738	20,000	997	579,770
Expected credit loss allowance	**6,623**	**16,293**	**2,324**	**997**	**26,236**

Notes to the financial statements (Cont'd)

		31-Dec-24	31-Dec-23
20	**Other assets**	**₦'000**	**₦'000**
	Prepaid rent	264,920	282,230
	Prepaid professional fees (Note 20.1)	236,347	93,755
	Prepaid insurance	47,478	27,358
	Prepaid medical	11,331	8,355
	Prepaid utilities	63,708	62,258
	Collection account reconciliation with UBA	22,927	-
	Advances to Suppliers (Note 20.2)	2,061,857	1,771,047
		2,708,568	**2,245,003**

20.1 Prepaid professional fees

This includes annual sage X3 licenses subscriptions and microsoft 365cloud license fees.

20.2 Advance to Suppliers

Advances for property, plant and equipment represent deposits made for items of property, plant and equipment in respect of the new restaurants to be opened by the Company. These equipment are yet to be received as at 31 December 2024. These amounts are also included in the statement of cash flows.

		31-Dec-24	31-Dec-23
21	**Cash and cash equivalents**	**₦'000**	**₦'000**
	Cash at bank	4,556,104	3,002,961
	Cash at hand	4,322	4,187
	Short-term deposit	600,000	-
		5,160,426	**3,007,148**

Cash and cash equivalents comprise petty cash, bank balances,and short-term deposits. The carrying amount of these assets approximate their fair value. The Cash equivalents relates to short term deposit and commercial paper of N300 million each. The commercial paper is highly liquid investment that can be easily converted into cash without material flutuation in value.

		31-Dec-24	31-Dec-23
22	**Share Capital**	**₦'000**	**₦'000**
	720,000 ordinary share capital of ₦1 each	**720,000**	**720,000**
23	**Share Premium**	**19,332**	**19,332**
24	**Retained earnings**		
	At 1 January	7,588,725	5,265,191
	Dividend declared*	(1,224,000)	(792,000)
		6,364,725	4,473,191
	Total comprehensive income for the year, net of tax	6,477,264	3,115,534
	At 31 December	**12,841,989**	**7,588,725**

*The directors at the board meeting held on the 14 May 2024 approved payment of N1.224 billion as dividend based on 31 December 2023 Company performance (2023: N792 million based on the 31 December 2022 Company performance).

Notes to the financial statements (Cont'd)

	31-Dec-24 ₦'000	31-Dec-23 ₦'000
25 Interest-bearing loans and borrowings		
Current		
Current portion of long-term loan (Note 26(i))	1,727,589	579,290
Deferred finance charges	(13,007)	(15,512)
	1,714,582	**563,778**
Non-current		
Long-term loan (Note 26(i))	5,359,206	7,086,797
Deferred finance charges	(109,479)	(160,002)
	5,249,727	**6,926,795**
At 31 December	**6,964,309**	**7,490,573**

The movement on the interest-bearing loan and borrowings is as follows:	31-Dec-24 ₦'000	31-Dec-23 ₦'000
At 1 January	7,490,573	4,187,760
Additions	-	5,500,000
Principal repayment	(579,291)	(2,173,398)
Interest repayment	(1,129,954)	(1,077,934)
Interest expense*	1,182,982	1,054,145
At 31 December	**6,964,309**	**7,490,573**

***** Included in the interest expense charged for the year is the portion of deferred finance cost, which amounted to ₦53 million (2023: ₦30 million).

26 Interest-bearing loans and borrowings analysis

(i) Long term loan

The company has Public Bond facilities amounting to ₦6.946 billion (2023: ₦7.490 billion) The public bond is quoted on FMDQ with Nil security.

The Series 1- Public Bond ₦2.5 billion issued in December 2021 for 5-years at the rate of 13.5% and the maturity date is 2026.
The Series 2-Public Bond ₦5.5 billion issued in August 2023 for 5-years bond at the rate of 16% and the maturity date is 2028

(ii) Deferred finance Charges	31-Dec-24 ₦'000	31-Dec-23 ₦'000
Opening at 1 January	(175,514)	(65,785)
Transaction cost for the year	-	(157,846)
Charge for the year	53,028	48,117
At 31 December	(122,486)	(175,514)
Current deferred finance charge (Note 25)	(13,007)	(15,512)
Non current deferred finance charge (Note 25)	(109,479)	(160,002)
	(122,486)	(175,514)

Deferred finance charges relate to charges on the N2.5b public bond issued in December 2021 and the N5.5b bond issued in August 2023.

26 Interest-brearing loans and borrowing analysis (cont'd)

(iii) Short-Term Loan

The movement in the short-term loan (due within 1 year)

	31-Dec-24 ₦'000	31-Dec-23 ₦'000
At 1 January	-	2,762,788
Additions	-	1,900,000
Repayments	-	(4,662,788)
At 31 December	**-**	**-**

27 Lease Liability

Maturity analysis	31-Dec-24 ₦'000	31-Dec-23 ₦'000
Year 1	34,694	22,818
Year 2-5	347,941	384,229
Year 6-10	301,066	392,235
Year 11-15	315,312	134,340
Year 16-20	366,947	60,941
Year 21-25	207,925	11,781
	1,573,885	**1,006,344**

		31-Dec-24 ₦'000	31-Dec-23 ₦'000
(i)	At 1 January	465,309	304,457
	Additions	255,545	173,899
	Accreted Interest (Note 11.1)	149,316	47,610
	Repayment	(162,680)	(60,657)
	31 December	**707,490**	**465,309**
	Current	34,694	22,818
	Non-current	672,796	442,491
		707,490	**465,309**

The leased liability arises due to the right of use of the assets by the Company. The lease liabilities are computed based on the present value of the future benefits to be derived from the right of use of the assets. The total accreted interest charged during the year amounted to ₦149.316 million (2023: ₦47.61 million).

Notes to the financial statements (Cont'd)

		31-Dec-24	31-Dec-23
28	**Trade and other payables**		
	Financial liabilities:	**₦'000**	**₦'000**
	Trade payables	3,252,621	2,648,608
	Accruals (Note 28.1)	1,475,698	461,736
	POS settlement (Note 28.6)	294,154	77,122
	Dividend payable (Note 28.7)	-	338,698
	Non-trading Creditors (Note 28.2)	207,673	15,065
		5,230,146	3,541,229
	Non Financial liabilities:		
	Pay-as-you-earn	63,790	36,021
	Pension payable (Note 28.3)	36,091	21,939
	Value added tax	574,624	305,024
	Withholding tax	111,213	89,536
	Industrial training fund, and Nigeria social insurance trust fund	82,553	54,368
	Unearned income (Note 28.4)	170,527	125,614
	Consumption tax (Note 28.5)	65,108	53,302
		1,113,377	**697,077**
	Trade and other payables	**6,343,523**	**4,238,306**

		31-Dec-24	31-Dec-23
28.1	**Accruals**	**₦'000**	**₦'000**
	Rent	80,680	60,328
	Salary	1,257,000	318,121
	Directors fee	24,840	16,442
	Share Purchase	-	6,095
	Utility	56,761	2,712
	Consultancy	-	840
	Cleaning & Waste	4,139	6,442
	Waste	-	801
	Repairs	5,782	11,304
	Marketing	4,894	6,942
	Security	6,328	5,709
	Audit fee	35,000	26,000
	Capital gain tax	275	-
		1,475,698	**461,736**

28.2 Non-trading Creditors relates to payables to security personnel, building contractors and cleaning Companies

		31-Dec-24	31-Dec-23
28.3	**Pension payable**	**₦'000**	**₦'000**
	At 1 January	21,939	36,158
	Contributions	366,328	252,425
	Remittances to pension fund administrators	(352,176)	(266,644)
	At 31 December	**36,091**	**21,939**

During the year, the Company remitted the pension contributions by both employees and employer to their respective pension fund administrators. The outstanding balance as at 31 December 2024 represents pension contribution for December 2024 which was remitted in January 2025.

Notes to the financial statements (Cont'd)

28 Trade and other payables (Cont'd)

28.4 Unearned income refers to upfront payment of rented building and lease to various tenant yearly and waste sale proceed.

The company has implemented policy to allocate proceeds from waste sales to employee welfare. This policy aims to create robust internal control systems for managing the welfare funds, ensuring that the inflow and outflow of funds are used appropriately for the benefit and overall welfare of employees. The proceeds from waste sales include leftover food (such as dog food), empty gallons, cartons, sacks, tins, and more.

28.5 Consumption tax is added to the sale price of goods. It range from four to five percent of the sale price and is collected at the time of purchase. Currently, the tax applicable to five states in the country (2023: five States).

28.6 POS settlement refers to the payments received from customers that can be refunded upon request, as long as they provide proof of the erroneous payment made into the Company account at the time of purchase.

28.7 Dividend Payable	**31-Dec-24**	**31-Dec-23**
	₦'000	**₦'000**
At January	338,698	338,698
Dividend Declared during the year	1,224,000	712,800
Dividend Paid	(1,562,698)	(712,800)
At December	**-**	**338,698**

The average credit period on purchase of goods is 31 days (2023: 31 days). Normally, no interest is charged on trade payables. The Company has financial risk management polices in place to ensure that all payables are paid in line with the pre-agreed credit terms. The Directors consider that the carrying amount of trade and other payables approximates its fair value.

29 Fair valuation of financial assets and liabilities

The table below provides a reconciliation of the line items in the Company's financial position to the categories of financial assets and liabilities.
The Directors consider that the carrying amount of cash and cash equivalents, trade and other receivables, interest-bearing loans and borrowing , trade and other payables and lease liabilities approximates its fair value.

		31-Dec-24		**31-Dec-23**	
	Notes	**Carrying amount ₦'000**	**Fair value ₦'000**	**Carrying amount ₦'000**	**Fair value ₦'000**
Financial assets					
Cash and cash equivalents	21	5,160,426	5,160,426	3,007,148	3,007,148
Trade and other receivables*	18	625,082	625,082	720,147	720,147
Total assets		**5,785,508**	**5,785,508**	**3,727,295**	**3,727,295**

Notes to the financial statements (Cont'd)

29 Fair valuation of financial assets and liabilities (Cont'd)

		31-Dec-24		31-Dec-23	
		Carrying amount	Fair value	Carrying amount	Fair value
Liabilities		₦'000	₦'000	₦'000	₦'000
Interest-bearing loans and	25	6,964,309	6,964,309	7,490,573	7,490,573
Lease liabilities		707,490	707,490	465,309	465,309
Trade and other payables	28	5,230,146	5,230,146	3,541,229	3,541,229
Total Liabilities		**12,901,945**	**12,901,945**	**11,497,111**	**11,497,111**

* Trade and other receivables excluded amount receivable as withholding tax receivable.

30 Financial Risk Management

(a) Overview

The company’s activities expose it to a variety of financial risks: market risk, credit risk, liquidity risk and operational risk. Risk management is carried out by management under policies approved by the board of directors. Management identifies and evaluates the financial risks in co-operation with the Company’s operating units. The Board provides written principles for overall risk management, as well as written policies covering specific areas, such as interest rate risk, credit risk and investment of excess liquidity. The Company’s overall risk management program seeks to minimize potential adverse effects on the Company’s financial performance.

(b) Risk management framework

The Board of Directors has overall responsibility and sets rules for the Company’s risk management and control systems. They are reviewed regularly to reflect changes in market conditions and the Company’s activities. The Board oversees the adequacy and functioning of the entire system of risk management and internal control, assisted by various departments within the Company.

Sundry Foods Limited (the Company) is exposed to the following risks as they arise in the normal course of its business:

- Credit risk
- Liquidity risk
- Market risk

This note presents information about Sundry Foods Limited's exposure to each of the above risks, and it summarises the Company’s policies and processes that are in place for measuring and managing risk, including those related to capital management. Further quantitative disclosures are included throughout these financial statements.

Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company’s receivables from customers. Management has assessed the risk exposure and is taking action to mitigate the higher than usual risks. Intensified and continuous focus is being given in the areas of customers (managing trade receivable and suppliers). As at the reporting date, there were no significant concentrations of credit risk. The maximum exposure to credit risk is represented by the carrying amount of each financial instrument in the statement of financial position.

(i) Trade and other receivable

The company’s management has credit policies in place and the exposure to credit risk is monitored on an ongoing basis. Under the credit policies, all customers requiring credit over a certain amount are reviewed and new customers are analysed individually for creditworthiness before the Company’s standard payment and delivery terms and conditions are offered. Purchase limits are established for each customer and these limits are reviewed regularly. Customers that fail to meet the Company’s benchmark creditworthiness may transact with the Company only on a cash basis.

Notes to the financial statements (Cont'd)

30 Financial Risk Management (Cont'd)

(ii) Impairment policies

Impairment of receivables due from customers is established when there is objective evidence that the Company will not be able to collect all amounts due, and/or the Company determines that it is probable that it will be unable to collect all amounts due according to the contractual terms of the trade agreement(s). These amounts are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less expected credit loss for amounts due from counter parties.

(iii) Write-off policy

The company writes off receivable balance (and any related allowances for expected credit loss) when the credit management committee determines that the amount due from counterparties are uncollectible. This determination is reached after considering information such as the occurrence of significant changes in the debtors’ financial position such that the debtor can no longer pay the obligation, or that proceeds from collateral will not be sufficient to pay back the entire exposure.

(iv) Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum credit risk at the reporting date was:

	Notes	31-Dec-24 ₦'000	31-Dec-23 ₦'000
Trade and other receivables*	18	625,082	720,147
Cash and cash equivalents	21	5,160,426	3,007,148
		5,785,507	**3,727,295**

*Trade and other receivables excluded amount receivable as withholding tax receivable

(c) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The company’s approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company’s reputation. Recent times have proven the credit markets situation could be such that it is difficult to generate capital to finance long-term growth of the Company. The Company has a clear focus on financing long-term growth and to re-finance maturing debt obligation. Financing strategies are under continuous evaluation.

The table below shows the undiscounted cash flows on the Company financial assets and liabilities and on the basis of their earliest possible contractual maturity. The Gross nominal inflow/outflow disclosed in the table relates to the contractual, undiscounted cash flow on the financial assets and liabilities.

Notes to the financial statements (Cont'd)

30. Financial Risk Management (Cont'd)

(d) Liquidity risk (cont'd)

Gross nominal (undiscounted) maturities of financial assets and liabilities

	31 Dec 2024			
	Liquidity profile			
	carrying amounts ₦'000	**contractual cash flow ₦'000**	**less than 1 yr ₦'000**	**> than one year ₦'000**
Financial assets				
Cash and cash equivalents	5,160,426	5,160,426	5,160,426	-
Trade and other receivables	625,082	625,082	625,082	-
	5,785,508	5,785,508	5,785,508	-
Financial liabilities				
Interest-bearing loans and borrowings	6,964,309	6,964,309	1,714,582	5,249,727
Lease liabilities	707,490	707,490	34,694	672,796
Trade and other payable	5,230,146	5,230,146	5,230,146	-
	12,901,945	12,901,945	6,979,422	5,922,523
Gap (assets-liabilities)	**(7,116,437)**	**(7,116,437)**	**(1,193,914)**	**(5,922,523)**

	31 Dec 2023			
	carrying amounts **₦'000**	***contractual cash flow*** **₦'000**	***less than 1 yr*** **₦'000**	***> than one year*** **₦'000**
Financial assets				
Cash and cash equivalents	3,007,148	3,007,148	3,007,148	-
Trade and other receivables	720,147	720,147	720,147	-
	3,727,295	3,727,295	3,727,295	-
Financial liabilities				
Interest-bearing loans and borrowings	7,490,573	7,490,573	563,778	6,926,795
Lease liabilities	465,309	465,309	22,818	442,491
Trade and other payable	3,541,229	3,541,229	3,541,229	-
	11,497,111	11,497,111	4,127,825	7,369,286
Gap (assets-liabilities)	**(7,769,816)**	**(7,769,816)**	**(400,530)**	**(7,369,286)**

(e) Market risk

Market risk is the risk that chanes in market prices, such as foreign exchange rates, interest rates, commodity prices and equity prices will affect the Company's income or the value of its financial assets. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, whilst optimising the return on risk.

(i) Foreign currency risk

This risk relates to the fact that the Company may suffer financial losses owing to its transactions denominated in foreign currencies. Appropriate measures to mitigate this risk have been put in place by the Company. These include obtaining relevant regulatory documents that enables us access foreign currencies at the official rates, purchasing necessary hedge products based on professional advice.

Notes to the financial statements (Cont'd)

30 Financial Risk Management (Cont'd)

(e) Market risk (Cont'd)

(i) Foreign currency risk(Cont'd)

Foreign currency risk is the risk that the fair value or future cashflows of an exposure will fluctuate because of changes in foreign exchange rates. The company's exposure to the risk of change in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency).

A five percent increase or decrease is used when reporting foreign risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates.

The following table demonstrates the sensitivity to a reasonable possible change in the US dollar exchange rate, with all other variables held constant, of the Company's (loss)/profit before tax(due to change in the fair value of monetary assets and liabilities). The Company's exposure to foreign currency changes for all other currencies is not material.

		Effect on Profit before tax
31-Dec-24		**₦'000**
	+5%	11,155
	-5%	(11,155)
31-Dec-23		
	+5%	5,760
	-5%	(5,760)

(ii) Interest rate risk

Interest rate risk is the exposure of a Company’s financial condition to adverse movements in interest rates which are likely to affect the Company’s earnings and capital base. This includes any opportunity cost that might arise if the Company were to fix interest rates on its assets and/or liabilities in a falling or rising interest rate environment.

The basis point range from one hundred percent to five hundred percentage increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

Interest rate risk is the risk that the fair value or future cashflows of a financial instrument will fluctuate because of change in market interest rates. The company's exposure to the risk of changes in market interest rates are being reduced since the Company's long-term debt obligation are at a floating interest rates.

Notes to the financial statements (Cont'd)

30. Financial Risk Management (Cont'd)

(e)Market risk(Cont'd)

(ii) Interest rate risk (Cont'd)

	Effect on Profit before Tax	
31-Dec-24	**Strengthening**	**Weakening**
+1	**₦'000**	**₦'000**
+5	12,416	(12,416)
	62,081	(62,081)
31-Dec-23	**Strengthening**	**Weakening**
+1	**₦'000**	**₦'000**
+5	10,477	(10,477)
	52,386	(52,386)

The effective interest rates of interest bearing financial liabilities as at 31 December and the years in which those liabilities mature or re-price were as follows:

	Weighted average effective Interest	Within 1 year	Above 1 year less than 5 years	After 5 years	Total
	% p.a.	₦'000	₦'000	₦'000	₦'000
31 December 2024					
Long term loan from financial institutions	15%	1,714,582	5,249,727	-	**6,964,309**
31 December 2023					
Long term loan from financial institutions	15%	563,778	6,926,795	-	**7,490,573**

(iii) Commodity price risk

Commodity price risk is the risk that changes in commodity prices will affect the Company's income. The objective of commodity price risk management is to manage and control commodity risk exposures within acceptable parameters, whilst optimising the return on risk. The Company is exposed to the commodity price risk of general food stuff due to seasonal trends, inflation, exchange rate fluctuation and the availability of harvest produce. The Company does not hedge this risk and no commodity exchange exists within Nigeria. There are operational controls in place to monitor qualities and to ensure that sufficient quantities are produced and stored. In case of local crop failure resulting in shortages, import action are undertaken.

(f) Capital management

Capital includes equity attributable to the equity holders of the Company. The primary objective of the Company's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios to support its business and maximise shareholder value. The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

No changes were made in the objectives, policies or processes for managing capital during the year ended 31 December 2024 and 31 December 2023.

Notes to the financial statements (Cont'd)

30 Financial Risk Management (Cont'd)

(f) Capital Management (Cont'd)

The company monitors capital using gearing ratio, which is "Net debt" divided by "Total capital". "Net debt" is calculated as borrowings plus trade and other payables and less cash and cash balances. Total capital is calculated as equity plus net debt.

The gearing ratio at year end is as follows:	Note	31-Dec-24 ₦'000	31-Dec-23 ₦'000
Loan and borrowings	25	6,964,309	7,490,573
Trade and other payables	28	6,343,523	4,238,306
Less: Cash and cash equivalents	21	(5,160,426)	(3,007,148)
Net debt		8,147,406	8,721,731
Total equity		13,581,321	8,328,056
Total capital		21,728,727	17,049,787
Gearing ratio		**0.37:1**	**0.51:1**

The company is in compliance with all externally imposed capital requirements.
The capital structure of the company consists of equity attributable to owners; comprising of share capital, accumulated profits and other reserves, and borrowings. The company will continue to monitor economic conditions that affect its operations and will make adjustments to its capital structure where necessary.

31 Cash provided by operating activities

	Note	31-Dec-24 ₦'000	31-Dec-23 ₦'000
Profit after tax		6,477,264	3,115,534
Adjustments for:			
Depreciation of property, plant and equipment	15	2,985,791	2,234,428
Depreciation of right of Use of assets	16	255,130	176,916
Finance cost	11.1	1,332,298	1,101,756
Expected credit loss of trade receivables	19	160,400	2,362
Exchange gain	7	(78,722)	(49,043)
Income tax expense	13	3,426,539	1,431,627
Gain on disposal of property, plant and equipment	7	(2,958)	(14,050)
Operating cash flows before movements in working capital		14,555,742	7,999,530
Changes in working capital			
Increase in inventories		(2,797,773)	(802,834)
Decrease/(increase) in trade and other receivables		42,303	(102,372)
Increase on other assets		(463,565)	(1,428,519)
Increase in trade and other payables		5,145,240	1,466,487
		1,926,205	(867,238)
(Decrease)/Increase in deferred tax liability		(2,713,639)	93,821
Cash provided by operations		**13,768,308**	**7,226,113**

Notes to the financial statements (Cont'd)

32 Related party relationship and transactions

The company carries out transaction with some of its related parties with common interests in the normal course of business, sells to and buys from other business that fall within the definition of a 'related party' contained in International Accounting Standard (IAS) 24. These transactions mainly comprise purchase, sales, finance cost and finance income. The company and its related parties also provide funds to and receive funds from each other as and when required for working capital financing. Details of transaction between the Company and other related parties are disclosed below.

The below are the related parties and their nature of relationship

Related Parties	**Nature of relationship**	**Nature of business**
Sundry Markets Limited	Common director	Trading
Colony Capital Limited	Common director	Trading
Capital Index Limited	Common director	Trading

32.1 Trading transactions

During the year, the Company entered into the following transactions with related parties:

	Sales of Materials	
	31-Dec 2024 ₦'000	**31-Dec 2023 ₦'000**
Sundry Markets Limited	2,288,216	1,109,746

The materials transferred to and from Sundry Markets were done at cost to take advantages of bulk purchases. The following balances were outstanding at the end of the reporting period:

		Receivable from related party	
		31-Dec 2024 ₦'000	**31-Dec 2023 ₦'000**
Sundry Markets Limited	Note 18	**166,896**	**159,464**

The trading relationship between Sundry Foods and Sundry Markets is the strategic buying of materials to take benefits of bulk buying.

Notes to the financial statements (Cont'd)

32 Related party relationship and transactions (cont'd)

32.2 Total remuneration of related parties (Directors and key management staff) recognized in the profit or loss are disclosed in Note 9.

(i) Key management compensation

Aggregate compensation for key management, being the Directors and members of the executive management were as follows:

The amount included in wages and salaries disclosed in Note 9

	31-Dec-24 ₦'000	31-Dec-23 ₦'000
Short-term employee benefits	394,435	264,513
Managers Renumeration	260,687	173,103
Post employee benefits	125,784	84,153
	780,906	**521,769**

(ii) Chairman's and Directors' emoluments

Fees:		
- Chairman (Highest paid)	27,500	16,500
- Executive Directors (2 persons)	38,500	27,500
- Other directors (3 persons)	56,000	40,000
Directors emoluments	13,802	17668
	135,802	**101,668**

(iii) Employees remuneration

The numbers of employees in receipt of gross emoluments within the following ranges were:

	Number	Number
Below ₦2,000,000	3,313	3,704
₦2000001 - ₦4000000	682	171
₦4000001 - ₦6000000	125	27
Above ₦6,000,000	32	18
	4,152	**3,920**

(iv) Staff

Average number of persons employed in the financial year and the related staff costs were as follows:

	2024 Number	2023 Number
Managerial	851	706
Junior staff	3,301	3,214
	4,152	**3,920**

Notes to the financial statements (Cont'd)

33 Capital commitments

Capital commitments of ₦1.877Billion was made during the year ended 31 December 2024 in respect of Company's ongoing projects (2023: ₦ 1.771 Billion). The value of the Company's asset under lien as at 31 December 2024 was Nil (2023: Nil).

34 Contingent liabilities

The company is involved in few legal proceeding that arise in the ordinary course of its business as at 31 December 2024 for stated amounts of N510 million (2023: N254 million). In the opinion of the Directors, based on the management assessment and response from the Company external solicitors, there are no significant claims likely to crystalize from the legal cases against the Company. Accordingly, no provision was made in this regard.

35 Changes of the presentation of comparative figures

Certain comparative figures within the statement of cash flows and the statement of changes in equity have been reclassified to conform to the current period's presentation. These changes relate solely to the presentation of balances and do not represent a restatement of previously reported statement of financial position, statement of profit or loss and other comprehensive income, or statement of cash flows. The underlying balances remain unchanged.

36 Events after the reporting date

There is no significant events after the reporting date that could have a material effect on the state of affairs of the Company as at 31 December 2024 and the profit for the year which have not been adequately accounted for or disclosed in this financial statement.

OTHER NATIONAL DISCLOSURES

VALUE ADDED STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2024

	31-Dec-24 ₦'000	%	31-Dec-23 ₦'000	%
Revenue from contract with customers	72,881,812		43,608,153	
Other income	303,883		211,901	
Finance income	90,674		54,043	
	73,276,369		43,874,097	
Bought-in-goods (Local)	(49,738,639)		(30,246,139)	
Value added	**23,537,730**	**100**	**13,627,958**	**100**
Applied as follows:				
To pay employees:				
Salaries and wages	7,960,829	34	4,861,728	36
Other staff expenses	1,099,879	5	705,972	5
To pay government:				
Income tax	2,826,098	12	1,337,806	10
To pay providers of funds:				
Interest on borrowings	1,332,298	6	1,101,755	8
To provide for maintenance and expansion of the company:				
Deferred tax charge	600,441	3	93,821	1
Depreciation property, plant and equipment	2,985,791	13	2,234,428	16
Depreciation of right of use assets	255,130	1	176,916	1
Profit or loss account	6,477,264	28	3,115,534	23
Value added	**23,537,730**	**100**	**13,627,958**	**100**

Value added represents the additional wealth which the Company has been able to create by its own and its employees' efforts. This statement shows the allocation of that wealth amongst employees, capital providers, government, and that retained for future creation of wealth.

FIVE YEAR FINANCIAL SUMMARY

FOR THE YEAR ENDED 31 DECEMBER 2024

	31-Dec-24 ₦'000	31-Dec-23 ₦'000	31-Dec-22 ₦'000	31-Dec-21 ₦'000	31-Dec-20 ₦'000
STATEMENT OF FINANCIAL POSITION					
Assets					
Non-current asset	18,214,235	14,423,418	12,594,715	8,597,883	3,555,562
Net Current assets/(liabilities)	3,139,648	2,523,524	(2,609,588)	1,092,573	(506,169)
Non- current liabiliteis	(7,772,562)	(8,618,884)	(3,980,602)	(5,063,757)	(636,083)
Total assets	**13,581,321**	**8,328,057**	**6,004,525**	**4,626,699**	**2,413,310**
Equity					
Share capital	720,000	720,000	720,000	415,397	410,397
Share premium	19,332	19,332	19,332	323,935	312,936
Retained earnings	12,841,989	7,588,725	5,265,193	3,887,367	1,689,977
Total equity	**13,581,321**	**8,328,057**	**6,004,525**	**4,626,699**	**2,413,310**
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME					
Revenue from contracts with customers	72,881,812	43,608,153	32,857,946	20,975,489	7,861,750
Profit before taxation	9,903,803	4,547,161	3,158,322	2,358,531	940,728
Profit after taxation	6,477,264	3,115,534	2,000,919	1,575,215	631,588
Dividend declared	(1,224,000)	(792,000)	(623,095)	(186,928)	(124,619)
Per share data					
Earnings per share (Naira) - Basic	9.00	4.33	2.78	3.79	1.54
Earnings per share (Naira) - Diluted	9.00	4.33	2.78	0.51	0.45
Dividend per share (Naira)	1.70	1.10	0.87	0.45	0.30
Net assets per share	18.86	11.57	8.34	11.14	5.88

The earning per share are based on profit after tax divided by the weighted average number of ordinary shares in issue at the end of each financial year.

Dividend per share is based on the dividend proposed for the year which is subject to approval at the Annual General Meeting divided by the number of ordinary shares in issue at the end of each financial year.

Net assets per share are based on the net assets and the number of ordinary shares in issue at the end of each financial year.