

**Nando's Chickenland Ireland Limited**

**Annual Report and Financial Statements**

**23 February 2025**

**Registered number 451340**

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## DIRECTORS' REPORT

The Directors present their Directors' report for the period ended 23 February 2025 and the audited financial statements of Nando's Chickenland Ireland Limited for the 52-week period ended 23 February 2025.

### Directors

The Directors who held office during the period were as follows:

A Snyman  
D Sefton  
M Gardner  
C Hill

### Dividends

There were no dividends declared or paid during the period (2024: €nil).

### Employees (Nandocas)

The Company encourages the involvement of all Nandocas in the Company's performance using various methods, including staff surveys, employee forums and incentive schemes.

Employee forums and staff surveys are conducted to obtain the views of Nandocas, share financial information and to ensure all Nandocas are kept informed on all matters of concern to them.

The Company's policy is to encourage the employment of disabled people where reasonably practical. Full and fair consideration is given to employment applications from disabled people.

The Company takes all reasonable steps to ensure that all employment conditions are applied regardless of sex, race colour, ethnic background, religion or disability. So far as is practicable, arrangements are made to continue the employment of an employee who becomes disabled and to provide them with training and career development.

### Principal activities

The principal activity of the Company in the period under review was that of operating fast casual restaurants.

### Business review and key performance indicators

The results for the period and financial position of the Company are as shown on pages 9 and 10. Revenue for the period was €39.1m (2024: €34.2m), which is an increase on the previous period of 14.3%.

Profit for the period was €6.4m (2024: Profit for the period of €3.9m), an increase on the previous period profit of €2.5m.

The Company is currently looking for potential sites to open more restaurants in the Republic of Ireland.

To ensure that the Company always delivers a high-quality product and exemplary service to its customers the Company conducts regular operational audits at restaurant level.

At period end we had net assets of €34.8m against net assets of €28.4m in the previous period.

The Company's strategy through the period is to continue to grow in terms of number of restaurants, profitability, and market share. To drive profitability and market share, the Company will continue to focus on existing locations and develop opportunities for like for like growth, through further engagement with its employees and customers.

### Inflation and Cost Pressures

While some easing in commodity prices has been observed, cost pressures remain elevated due to the current geo-political climate and the effects of sustained inflation on the global economy. These factors continue to present significant cost challenges in the market.

### Current trading

In the first half of the financial year ending February 2026, sales continued to grow and we have been extremely encouraged by customer demand, nevertheless cost inflation remains at elevated levels. The Company is actively managing the impact of continued cost pressures through a number of initiatives, including productivity gains and the roll out of energy efficient grills. While these actions have been effective in mitigating some of the impact, we anticipate that cost pressures will continue to affect our overall performance in the current financial year.

We continue to provide customers with innovation in our food menu and are investing in digital technology to make it easy to order a Nando's online or via our app, as well as to give us valuable insight into how people interact with us and to make it easier for our Nandocas (employees) to do their jobs.

## Directors' Report (continued)

### The impacts on communities and the environment

Nando's has always placed importance on trying to change lives for the better, for our teams, customers, supply chains and local communities. Our approach is twofold: we strive to improve our environmental sustainability to help fight climate change, alongside improving the welfare of our chickens to build on our long legacy of working towards a healthier, happier and more environmentally sustainable planet.

### Principal risks and uncertainties

#### *Health and Safety*

Maintaining excellent health and safety standards in the development and operation of our restaurants is central to our business and any health and safety issue to a Nandoca or customer is of significant concern. The health and safety of our Nandocas and our customers are of primary importance to Nando's. We achieve this by setting the highest standards for health and safety and performing restaurant audits to ensure we maintain our high standards, including allergen information. This ensures every meal served in Nando's is prepared in a safe environment and is safe to eat.

#### *Employees (Nandocas)*

Our Nandocas are our greatest asset; failure to attract and retain the best people would be detrimental to both the Nando's experience and our brand reputation. In an industry which traditionally has high staff turnover, Nandocas are key to the Company's continued development.

Numerous training and growth opportunities exist at all levels – both within restaurants and central support functions. These are designed to not only motivate, develop and retain employees, but to empower them to be the best they can be. Wherever possible, we promote from within and believe strongly in recognising and rewarding Nandocas. We also host regular fun days, conferences, outings and team charity work.

#### *GDPR and Cyber*

Potential ransomware attacks could result in a loss of revenue or customer trust as well as possible regulatory breaches which could result in financial penalties. Increased focus on protecting the business against potential cyber-attacks has resulted in the implementation of additional controls and enhanced capability to mitigate against such risks and ensure compliance with relevant legislation, including regular detailed reviews of cyber security processes in order to highlight any gaps and address any challenges.

#### *Supply chain*

The quality of our product is crucial to ensure our customers are obtaining the best possible experience. We consider risks that can impact upon the security of our distribution and supply chain including avian flu or other supply chain challenges. Ensuring ethical and sustainability standards over our supply chain is equally important. The key arrangements the Company has in place with several raw material suppliers are constantly reviewed and monitored to ensure quality standards remain high. The Company has extensive procedures to ensure we mitigate risks to our customers and teams as far as possible. We have clear procedures, ethical and animal welfare standards in place. We have a number of agreements and review procedures in place to enforce these standards.

#### *Menu*

We understand the importance of an exciting and varied menu. This ongoing focus on menu innovation throughout the Group has allowed us to successfully launch a range of new products, tapping into new occasions and consumer segments and an ongoing need for variety. Our commercial teams continuously develop new products to maintain an exciting and varied menu including taking into account seasonal changes.

#### *Competition*

The Company operates in a competitive and fragmented market, one that constantly brings new concepts and products to an ever-expanding customer base.

We believe that customers' interactions with Nandocas, the restaurant designs, ambience and superior quality food all combine to create a unique experience – one which gives Nando's a strong competitive advantage. By focusing on the innovation of our products and service, as well as proactively meeting the needs of our customers, we are confident of not only maintaining but also growing our market share.

#### *Economic uncertainty and market factors*

The Company is exposed to the risk of economic uncertainty, particularly in the current economic climate. Inflation impacted many of our key costs including salaries, utilities and core ingredients. In turn inflation represented a challenge for our customer base through the cost of living crisis. The Company continually monitors cash flow and forecasts the maturity of financial liabilities. The Company has maintained a good performance after period end, meeting the Directors' expectations. By achieving current performance and utilising facilities available, the Company will be able to meet all its working capital requirements.

## Directors' Report (continued)

### Going concern

On the basis of current financial projections and committed banking facilities, the Directors are satisfied that the Company has adequate resources to continue in operation for the foreseeable future and consequently the financial statements have been prepared on the going concern basis. See Note 1 to the financial statements for further detail.

### Political and charitable contributions

The Company made charitable donations of €4k (2024: £nil). No political donations were made during the period as defined by the Electoral Act 1997 (2024: none).

### Accounting Records

The Directors believe that they have complied with the requirements of sections 281 to 285 of the Companies Act 2014 with regard to adequate accounting records by employing accounting personnel with appropriate expertise and by providing adequate resources to the financial function. The accounting records of the Company are maintained at Erico House, 93-99 Upper Richmond Road, London, United Kingdom and all returns relating to the Company's business are sent to and kept at 1-2 Victoria Buildings, Haddington Road, Dublin 4.

### Disclosure of information to Auditor

The Directors who held office at the date of approval of this Directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's Auditor is unaware; and each Director has taken all the steps that he ought to have taken as a Director to make himself aware of any relevant audit information and to establish that the Company's Auditor is aware of that information.

### Directors and their interests

The Directors have no financial interests or holdings in the Company.

### Directors' Compliance Statement

The Directors, in accordance with Section 225(2) of the Companies Act 2014, acknowledge that they are responsible for securing the Company's compliance with certain obligations specified in that section arising from the Companies Act 2014.

The Directors confirm that:

- a compliance policy statement has been drawn up setting out the Company's policies with regard to such compliance;
- appropriate arrangements and structures that, in their opinion, are designed to secure material compliance with the Company's relevant obligations, have been put in place; and
- a review has been conducted, during the financial year, of the arrangements and structures that have been put in place to secure the Company's compliance with its relevant obligations.

### Auditor

Pursuant to section 383(2) of the Companies Act 2014, the Auditors, S&W Partners (Audit) Ireland Limited, have indicated their willingness to continue in office.

By order of the board

D Sefton  
Director



Date: 11/11/25

A Snyman  
Director



Date: 11/11/25

## STATEMENT OF DIRECTORS' RESPONSIBILITIES

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

Company law requires the Directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union and applicable law.

Under Company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the assets, liabilities and financial position of the Company and of its profit or loss for that year. In preparing the financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

The Directors confirm that they have complied with the above requirements in preparing the financial statements.

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

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

On behalf of the board

D Sefton  
Director



Date: 11/11/25

A Snyman  
Director



Date: 11/11/25

## INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF NANDO'S CHICKENLAND IRELAND LIMITED

### Opinion

We have audited the financial statements of Nando's Chickenland Ireland Limited (the 'company') for the year ended 23 February 2025 which comprise the Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity, Statement of Cash Flows and the related notes. The financial reporting framework that has been applied in their preparation is Irish law and International Financial Reporting Standards ("IFRS") as adopted by the European Union ("EU") as applied in accordance with the provisions of the Companies Act 2014.

In our opinion the financial statements:

- give a true and fair view of the assets, liabilities and financial position of the company as at 23 February 2025 and of its profit for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted by the European Union; and
- have been properly prepared in accordance with the requirements of the Companies Act 2014.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) (ISAs (Ireland)) and applicable law. Our responsibilities under those standards are further described in the auditors' responsibilities for the audit of the financial statements section of our Report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Ireland, including the Ethical Standard issued by the Irish Auditing and Accounting Supervisory Authority (IAASA) and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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

### Conclusions relating to going concern

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

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

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

### Other information

The directors are responsible for the other information. The other information comprises the information included in the Directors' Report and the financial statements, other than the financial statements and our Auditors' Report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our Report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

### Opinion on other matters prescribed by the Companies Act 2014

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

- the information given in the Directors' Report is consistent with the financial statements;
- the Directors' Report has been prepared in accordance with applicable legal requirements;
- we have obtained all the information and explanations which we consider necessary for the purposes of our audit; and
- the accounting records of the company were sufficient to permit the financial statements to be readily and properly audited, and the financial statements are in agreement with the accounting records.

## **Matters on which we are required to report by exception.**

Based on the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report.

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

## **Respective responsibilities and restrictions on use**

### *Responsibilities of directors for the financial statements*

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

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

### *Auditors' responsibilities for the audit of the financial statements*

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

A further description of our responsibilities for the audit of the financial statements is located on the IAASA's website at: <https://iaasa.ie/publications/description-of-the-auditors-responsibilities-for-the-audit-of-the-financialstatements/>. This description forms part of our Auditors' Report.

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

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

**John O'Callaghan**

for and on behalf of  
**S&W Partners Audit (Ireland) Limited**  
Chartered Accountants & Statutory Audit Firm

Paramount Court  
Corrig Road  
Sandyford Business Park  
Dublin 18

Date:

**INCOME STATEMENT**  
for the period ended 23 February 2025 (period ended 25 February 2024)

	<i>Note</i>	<b>2025</b> €m	<b>2024</b> €m
<b>Revenue</b>	4	<b>39.1</b>	<b>34.2</b>
Cost of sales		(28.5)	(26.2)
<b>Gross Profit</b>		<u><b>10.6</b></u>	<u><b>8.0</b></u>
Administrative expenses		(2.3)	(2.1)
<b>Operating profit</b>	5	<u><b>8.3</b></u>	<u><b>5.9</b></u>
Financial income	9	0.5	-
Financial expense	10	(1.1)	(1.2)
<b>Net financial expense</b>		<u><b>(0.6)</b></u>	<u><b>(1.2)</b></u>
<b>Profit before tax</b>		<u><b>7.7</b></u>	<u><b>4.7</b></u>
Taxation	11	(1.3)	(0.8)
<b>Profit for the period</b>		<u><u><b>6.4</b></u></u>	<u><u><b>3.9</b></u></u>

All items within the income statement were derived from continuing operations.

The financial statements have been prepared on an unmodified historical basis and therefore no note of historical cost profits and losses has been presented.

The accompanying notes form an integral part of these financial statements.

There are no items of other comprehensive income for 2025 or 2024.

STATEMENT OF FINANCIAL POSITION  
as at 23 February 2025 (25 February 2024)

	Note	2025 €m	2024 €m
<b>Non-current assets</b>			
Property, plant and equipment	12	9.9	10.4
Intangible assets	13	6.7	7.4
Right-of-use assets	18	11.9	13.3
		<u>28.5</u>	<u>31.1</u>
<b>Current assets</b>			
Inventories	14	0.1	0.1
Trade and other receivables	15	20.7	0.3
Cash and cash equivalents		7.0	19.7
		<u>27.8</u>	<u>20.1</u>
<b>Total assets</b>		<u><b>56.3</b></u>	<u><b>51.2</b></u>
<b>Current liabilities</b>			
Trade and other payables	16	(5.7)	(5.4)
Current lease Liability	18	(2.1)	(2.5)
Current tax payable		(0.2)	(0.7)
		<u>(8.0)</u>	<u>(8.6)</u>
<b>Net current assets</b>		<u><b>19.8</b></u>	<u><b>11.5</b></u>
<b>Total assets less current liabilities</b>		<u><b>48.3</b></u>	<u><b>42.6</b></u>
<b>Non-current liabilities</b>			
Deferred tax liabilities	17	(0.4)	(0.4)
Non-current lease liability	18	(13.1)	(13.8)
		<u>(13.5)</u>	<u>(14.2)</u>
<b>Total liabilities</b>		<u><b>(21.5)</b></u>	<u><b>(22.8)</b></u>
<b>Net assets</b>		<u><b>34.8</b></u>	<u><b>28.4</b></u>
<b>Equity</b>			
Share capital	19	-	-
Retained earnings		34.8	28.4
<b>Total equity</b>		<u><b>34.8</b></u>	<u><b>28.4</b></u>

The accompanying notes form an integral part of these financial statements.

On behalf of the board:

D Sefton  
Director  
Company Registered Number: 451340



A Snyman  
Director



**STATEMENT OF CHANGES IN EQUITY**  
 for the period ended 23 February 2025 (period ended 25 February 2024)

	<b>Share Capital €m</b>	<b>Retained Earnings €m</b>	<b>Total Equity €m</b>
Balance at 26 February 2023	-	24.5	24.5
<b>Total comprehensive income for the period</b>			
Profit for the period	-	3.9	3.9
Balance at 25 February 2024	-	28.4	28.4
<b>Total comprehensive income for the period</b>			
Profit for the period	-	6.4	6.4
<b>Balance at 23 February 2025</b>	-	<b>34.8</b>	<b>34.8</b>

The accompanying notes form an integral part of these financial statements.

**CASH FLOW STATEMENT**  
for the period ended 23 February 2025 (period ended 25 February 2024)

	<b>2025</b>	<b>2024</b>
	<b>€m</b>	<b>€m</b>
<b>Cash flows from operating activities</b>		
Profit for the period	6.4	3.9
Adjustments for:		
Tax expense	1.3	0.8
Financial expense	1.1	1.2
Financial income	(0.5)	-
Depreciation of property, plant and equipment and ROU assets	2.8	2.6
Amortisation of intangible assets	0.7	0.7
<b>Cash generated from operating activities</b>	<b>11.8</b>	<b>9.2</b>
Decrease/(increase) in inventories	-	-
Decrease/(increase) in trade & other receivables	0.1	(0.2)
Increase/(decrease) in trade & other payables	0.2	(2.7)
<b>Cash generated from operations</b>	<b>12.1</b>	<b>6.3</b>
Interest paid	(1.0)	(1.0)
Tax paid	(1.8)	(0.5)
<b>Net cash flows from operating activities</b>	<b>9.3</b>	<b>4.8</b>
<b>Cash flows from investing activities</b>		
Acquisition of property, plant and equipment	(0.8)	(2.8)
Loan issued (refer to note 15)	(20.0)	-
<b>Net cash flows from investing activities</b>	<b>(20.8)</b>	<b>(2.8)</b>
<b>Cash flows from financing activities</b>		
Lease payments (principal portion)	(1.2)	(1.0)
<b>Net cash flows from financing activities</b>	<b>(1.2)</b>	<b>(1.0)</b>
Net (decrease)/increase in cash and cash equivalents	(12.7)	1.0
Opening cash and cash equivalents	19.7	18.7
Closing cash and cash equivalents	<b>7.0</b>	<b>19.7</b>

The accompanying notes form an integral part of these financial statements.

## NOTES TO THE FINANCIAL STATEMENTS

### 1. *Basis of preparation*

Nando's Chickenland Ireland Limited (the "Company") is a Company incorporated, domiciled and registered in Ireland, the registered number is 451340 and the registered address is 1-2 Victoria Buildings, Haddington Road, Dublin 4.

The Directors have prepared these financial statements on a going concern basis.

The Company financial statements have been prepared and approved by the Directors on the historical cost basis and in accordance with International Financial Reporting Standards as adopted by the EU ("Adopted IFRSs").

The preparation of financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts in the financial statements. The areas involving a higher degree of judgement or complexity, or areas where assumptions or estimates are significant to the financial statements, are disclosed in note 3.

The presentation and functional currency of the Company is Euro (€).

Nando's Chickenland Ireland Limited has an accounting reference date of 23rd February 2025. The financial statements are prepared up to the Sunday closest to this year-end date, which in the current year is 23rd February 2025. The period covered for the current year is 52 weeks (2024: 52 weeks), however this methodology results in some financial periods covering a 53 week period.

The Company's ultimate parent undertaking, Nando's Group Holdings Limited, includes the Company in its consolidated financial statements. The consolidated financial statements of Nando's Group Holdings Limited are prepared in accordance with International Financial Reporting Standards and are available to the public and may be obtained from St Mary's House, 42 Vicarage Crescent, Battersea, London, SW11 3LD.

#### *Going concern*

The financial statements are prepared on a going concern basis which the Directors believe to be appropriate for the following reasons.

The Financial Forecast, which serves as the Base Case for the going concern assessment, considers the sales performance of restaurants across three channels (Eat-In, Delivery, and Collect) and is based on a combination of the Company's current financial performance, FY25 annual budget and projections thereafter.

Using this Financial Forecast, the Directors have developed cash flow projections for a 12-month period starting from the date of approval of these financial statements. This includes forecast performance against the covenants associated with the external Debt Facility. These forecasts indicate that the Company would be able to operate within the existing facilities that are available to it.

#### *Downside scenario*

A severe but plausible Downside Scenario has been formulated that considers the potential challenges of cost inflation preceding sales price inflation and a decrease in sales volume. In this Downside Scenario, the Company would be able to effectively manage its operations using the currently available facilities at its disposal without the need for significant mitigating actions.

### 1.1 *Standards issued and applied for the first time this year*

The following new and revised Standards and Interpretations have been adopted in the current period and had an impact on the Group's accounting policies. Unless otherwise disclosed, their adoption has had no material impact on the amounts reported in these financial statements.

- Classification of Liabilities as Current or Non-current (Amendments to IAS 1)

## Notes to the Financial Statements (continued)

### 1.2 Standards and interpretations issued and not yet effective

At the date of authorisation of these financial statements, the following Standards and Interpretations which management expect to have an impact on the business and have not been applied in these financial statements, were in issue but not yet effective or not yet endorsed for the period presented:

- Amendments IFRS 9 and IFRS 7 regarding the classification and measurement of financial instruments
- IFRS 18 – Presentation and Disclosure in Financial Statements
- IFRS S1 – General requirements for disclosure of sustainability-related financial information
- IFRS S2 – Climate-related disclosures

These standards are not expected to have a material impact on the results of the entity in the current or future reporting periods and on foreseeable future transactions.

## 2. Accounting policies

### 2.1 Measurement convention

The financial statements are prepared on the historical cost basis except that the following assets and liabilities are stated at their fair value: certain financial assets and financial liabilities (including derivatives) measured at fair value. Non-current assets and disposal groups held for sale are stated at the lower of previous carrying amount and fair value less costs to sell.

### 2.2 Foreign currencies

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction. Monetary items denominated in foreign currencies are retranslated at the exchange rates applying at the reporting date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences are recognised in profit or loss in the period in which they arise, except for:

- exchange differences on foreign currency borrowings which are regarded as adjustments to interest costs, where those interest costs qualify for capitalisation to assets under construction;
- exchange differences on loans to or from a foreign operation for which settlement is neither planned nor likely to occur and therefore forms part of the net investment in the foreign operation, which are recognised initially in other comprehensive income and reclassified from equity to profit or loss on disposal or partial disposal of the net investment.

### 2.3 Financial instruments

The Company classifies financial instruments, or their component parts, on initial recognition as a financial asset, a financial liability or an equity instrument in accordance with the substance of the contractual arrangement. Financial instruments are recognised when the Company becomes a party to the contractual provisions of the instrument.

#### 2.3.1 Financial assets

Financial assets comprise cash and cash equivalents and trade and other receivables.

Trade receivables are initially recognised when they are originated and are initially measured at fair value where there is a significant financing component. Trade receivables without a significant financing component is initially measured at the transaction price.

Trade receivables are subsequently measured at amortised cost as they meet both of the following conditions:

- they are held within a business model whose objective is to hold assets to collect contractual cash flows; and
- their contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Trade receivables are subsequently measured at amortised cost using the effective interest rate method, less provision for impairment using the expected credit loss approach.

The Company recognises loss allowances for expected credit losses (ECLs) on trade receivables using the simplified expected credit loss model which is measured at an amount equal to lifetime ECL.

## Notes to the Financial Statements (continued)

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

Foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECL, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward-looking information.

The Company assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due. The Company considers a financial asset to be in default when the borrower is unlikely to pay its credit obligations to the Company in full, without recourse by the company to actions such as realising security (if any is held) or the financial asset is more than 90 days past due.

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Company expects to receive). ECLs are discounted at the effective interest rate of the financial asset. At each reporting date, the Company assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery.

Cash and cash equivalents comprise cash balances and call deposits. Bank overdrafts that are repayable on demand and form an integral part of the Company's cash management are included as a component of cash and cash equivalents for the purpose only of the cash flow statement. Cash and cash equivalents include short term timing differences for credit card receivables which are received within 3 days.

### 2.3.2 Financial liabilities (other than derivative financial instruments)

Financial liabilities comprise loans and borrowings and trade and other payables. Financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

Financial liabilities are initially measured at fair value less transaction costs that are directly attributable to its acquisition or issue. Financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

### 2.3.3 Equity instruments

Equity instruments issued by the Company are recorded at the value of proceeds received, net of costs directly attributable to the issue of the instruments.

## 2.4 Property, plant and equipment

All property, plant and equipment assets are stated at cost less accumulated depreciation and accumulated impairment losses.

Depreciation of property, plant and equipment is provided to write off the cost, less residual value, on a straight line basis over the estimated useful lives as follows:

- |                          |                   |
|--------------------------|-------------------|
| • Plant and equipment    | 4-7 years         |
| • Fixtures               | 3-10 years        |
| • Leasehold improvements | Life of the lease |

Pre-opening costs which are capitalised include project management costs directly associated with bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. These costs comprise primarily a proportion of payroll costs for named individuals involved in these Project Management teams and are directly attributable to these restaurant fit outs and these are presented within leasehold improvements. All other pre-opening costs are expensed directly to the Profit and Loss Account as incurred.

Residual values, remaining useful lives and depreciation methods are reviewed annually and adjusted if appropriate.

Gains or losses on disposal are included in profit or loss.

## Notes to the Financial Statements (continued)

### 2.5 Intangible assets

#### Amortisation

Amortisation is charged to profit or loss on a straight-line basis over the estimated useful lives of the intangible asset unless such lives are indefinite. These charges are included in administrative expenses. Intangible assets are amortised from the date they are available for use. The useful lives are as follows:

- Intellectual Property 20 years

Amortisation periods and methods are reviewed annually and adjusted if appropriate.

#### Intangible assets acquired separately

Intangible assets acquired separately are shown at historical cost less accumulated amortisation and impairment losses.

#### Intangible assets generated internally

Expenditure on research activities is recognised in the income statement as an expense as incurred.

Expenditure on development activities is capitalised if the product or process is technically and commercially feasible and the Company intends to and has the technical ability and sufficient resources to complete development, future economic benefits are probable and if the Company can measure reliably the expenditure attributable to the intangible asset during its development. Development activities involve a plan or design for the production of new or substantially improved products or processes. The expenditure capitalised includes the cost of materials, direct labour and an appropriate proportion of overheads and capitalised borrowing costs. Other development expenditure is recognised in the income statement as an expense as incurred. Capitalised development expenditure is stated at cost less accumulated amortisation and less accumulated impairment losses.

#### Other intangible assets

Expenditure on internally generated goodwill and brands is recognised in the income statement as an expense as incurred. Other intangible assets that are acquired by the Company are stated at cost less accumulated amortisation and accumulated impairment losses.

### 2.6 Inventories

Inventories are valued at the lower of cost and net realisable value on a weighted average basis. Cost comprises the purchase cost of goods.

### 2.7 Impairment of non-financial assets

The Company assesses annually whether there is any indication that any of its assets have been impaired, other than inventories and deferred tax assets. If such indication exists, the asset's recoverable amount is estimated and compared to its carrying value. Where it is impossible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the smallest cash generating unit to which the asset is allocated.

If the recoverable amount of an asset (or cash generating unit) is estimated to be less than its carrying amount, an impairment loss is recognised immediately in profit or loss, unless the asset is carried at a revalued amount, in which case the impairment loss is recognised as revaluation decrease. The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit").

Impairment losses recognised in respect of CGUs reduce the carrying amounts of the assets in the unit (group of units) on a pro rata basis.

Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

## Notes to the Financial Statements (continued)

### 2.8 Retirement benefits

The Company operates defined contribution pension schemes. The Company pays fixed contributions into an independently administered fund. These contributions are expensed in the period in which the employees rendered the services entitling them to the benefits.

### 2.9 Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects risks specific to the liability.

### 2.10 Equity

Financial instruments issued by the Company are treated as equity only to the extent that they meet the following two conditions:

- a) they include no contractual obligations upon the Company to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the Company; and
- b) where the instrument will or may be settled in the Company's own equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of the Company's own equity instruments or is a derivative that will be settled by the Company exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments.

To the extent that this definition is not met, the proceeds of issue are classified as a financial liability. Where the instrument so classified takes the legal form of the Company's own shares, the amounts presented in these financial statements for called up share capital exclude amounts in relation to those shares.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Where any group company purchases the Company's equity instruments, for example as a result of share buy-back, the consideration paid, including any directly incremental costs (net of taxes) is deducted from equity attributable to the owners of the Company as treasury shares until such time that the shares are cancelled or reissued.

### 2.11 Revenue

Revenue arises from the Company's principal activities, the sale of goods in the operation of fast casual dining restaurants.

Revenue is recognised when the performance obligations are satisfied and control has transferred to the customer. Revenue is measured based on the transaction price, net of returns, discounts and sales taxes (such as VAT and similar).

#### *Sale of goods in restaurants*

The performance obligations are the goods sold in the restaurant, and the loyalty programme, which is deemed to be a material right to the customer. Revenues allocated to the goods sold in the restaurant are recognised at a point in time when the customer obtains the goods, and revenues allocated to the loyalty programme are recognised at a point in time when the customer uses the loyalty points or if the points expire.

The Company operates customer loyalty schemes which are deemed to be material rights to the customer. The Company recognises the deferred income balances arising through the operation of such loyalty schemes by deferring a proportion of restaurant revenue based on the proportionate stand alone selling prices of the material right, which is calculated using the value of the discount and the expected customer redemption records, and the goods sold in the restaurant. Revenue is deferred and is recognised as revenue when the Company has fulfilled its obligations to supply the discounted or free of charge products under the terms of the programme or when it is no longer possible that the points under the programme can be redeemed as the points expire.

### 2.12 Cost of sales

Cost of sales includes those costs directly attributable to the provision of goods and services to customers. Receipts from suppliers in respect of volume-based rebates and other incentives are recorded within cost of sales as the group becomes entitled to receive the rebate. Where there is a short term timing difference between the rebate becoming contractually due and the receipt from the supplier, the receivable is included within other receivables.

## Notes to the Financial Statements (continued)

### 2.13 Leases as lessee

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- the contract involves the use of an identified asset - this may be specified explicitly or implicitly, and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified;
- the Company has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- the Company has the right to direct the use of the asset. The Company has this right when it has the decision-making rights that are most relevant to changing how and what purposes the asset is used. In rare cases where the decision about how and for what purpose the asset is used is predetermined, the Company has the right to direct the use of the asset if either:
  - the Company has the right to operate the asset; or
  - the Company designed the asset in a way that predetermines how and for what purpose it will be used.

This policy is applied to contracts entered into, or changed, on or after 25 February 2019.

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the group.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable by the group under residual value guarantees;
- the exercise price of a purchase option if the Company is reasonably certain to exercise that option; and
- payments of penalties for terminating the lease, if the Company is reasonably certain to exercise the termination option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the group, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, if the Company changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, to the extent that the right-of-use asset is reduced to nil, with any further adjustment required from the remeasurement being recorded in profit or loss.

To determine the incremental borrowing rate, the Company:

- uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk;
- uses recent third-party financing received by other group entities, adjusted to reflect changes in financing conditions since third party financing was received; and
- makes adjustments specific to the lease, e.g. term, country, currency and security.

The Company is exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

## Notes to the Financial Statements (continued)

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability;
- any lease payments made at or before the commencement date less any lease incentives received;
- any initial direct costs; and
- restoration costs.

Right-of-use assets are generally depreciated over the lease term on a straight-line basis. If the group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life. The right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

Payments associated with short-term leases of equipment and vehicles and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise IT and other equipment and small items of office furniture.

### 2.14 *Financing income and expenses*

Financing expenses include interest payable, finance charges on shares classified as liabilities and finance charges on lease liabilities recognised in profit or loss using the effective interest method, unwinding of the discount on provisions, and net foreign exchange losses that are recognised in the income statement (see foreign currency accounting policy).

Financing income comprise interest receivable on funds invested, dividend income, interest income on lease receivables and net foreign exchange gains.

Interest income and interest payable is recognised in profit or loss as it accrues, using the effective interest method. Foreign currency gains and losses are reported on a net basis.

### 2.15 *Borrowing costs*

The Company does not construct material qualifying assets and therefore borrowing costs are expensed in the period they are incurred.

### 2.16 *Taxation*

Tax on profit or loss for the period comprises current and deferred tax. Current and deferred tax is recognised in the income statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Income tax for the period is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date.

The Company does not recognise deferred tax liabilities, or deferred tax assets, on temporary differences associated with the initial recognition of assets or liabilities that affect neither accounting nor taxable profit other than differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. The carrying amount of the deferred tax assets are reviewed at each statement of financial position date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are offset only when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same tax authority. Current tax assets and liabilities are offset where the entity has a legal enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

## Notes to the Financial Statements (continued)

### 2.17 Government grants

In accordance with accounting requirements, any funding received is recognised in the period as other income. Grants are recognised at fair value when the Company has reasonable assurance that it will comply with any conditions attached to the grant and that the grant will be received. The funding received is included within the cash flows from operating activities in the consolidated statement of cash flows.

### 3. Accounting estimates and judgements

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures. There are no estimates and judgements identified that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial period.

Non-significant areas that include a degree of estimation uncertainty are as follows:

#### *Loyalty scheme*

The Company operates a loyalty programme where certain products are provided when a specific number of points are collected. The fair value of the points issued are estimated and offered until such time that the loyalty programme rewards are redeemed. The fair value of points is based on a calculation of factual information such as the level of points earned but not redeemed, frequency of visits and historical value of rewards redeemed. Management estimation is used on further elements of the calculation. These estimations are expiration of rewards and likelihood unregistered cards being registration.

#### *Impairment of assets*

Impairment testing of assets, including intangible assets, property, plant and equipment, right of use assets involves estimation uncertainty in relation to key assumptions in the VIU calculations, however this estimation uncertainty is deemed to be low.

#### *Leases*

Management have estimated the incremental borrowing rate which is used to calculate the lease liability. The Company has used current financing of other subsidiaries of Nando's Group Holdings Limited as a proxy, together with risk-free interest rates which are adjusted for credit risk. These are then further adjusted for the individual lease type, lease term and the security of the asset.

Non-significant areas that include judgements are as follows:

#### *Depreciation and amortisation*

The Company exercises judgement to determine the useful lives and the residual values of intangibles; property, plant and equipment. The assets are depreciated down to their residual values over their estimated useful lives.

#### *Leases*

Management have applied judgement to determine the lease term for those lease contracts that include an extension option or a termination (also known as break) option. Management have assessed each extension and termination option to determine whether it is reasonably certain that the options will be exercised. Extension periods are only included within the lease term if the Company is reasonably certain it will exercise the extension option. The lease term is only reduced by the break period if the Company is reasonably certain it will exercise the termination option.

Notes to the Financial Statements (continued)

**4 Revenue**

	2025	2024
	€m	€m
<i>The Company's revenue comprises:</i>		
Sales of goods in restaurants	39.1	34.2
Total revenue	39.1	34.2

Revenue arises from the Company's principal activity which is carried out wholly within the Republic of Ireland.

**5 Loss or profit before tax**

	2025	2024
	€m	€m
<i>The following amounts were expensed or credited during the year:</i>		
Depreciation of right of use asset	(1.5)	(1.4)
Depreciation of property, plant and equipment	(1.3)	(1.2)
Amortisation of intangible assets	(0.7)	(0.7)

**6 Auditor's remuneration**

	2025	2024
	€m	€m
Fees payable to the Company's auditor for these financial statements	-	-

The audit fee in respect of these financial statements totalled €37k (2024: €44k).

**7 Staff numbers and costs**

The average number of persons employed by the Company (including directors) during the period, analysed by category was as follows:

	2025	2024
Directors	4	4
Store operatives, admin and management	517	504
	521	508

The aggregate payroll costs of these persons were as follows:

	2025	2024
	€m	€m
Wages and salaries	(11.1)	(9.9)
Social security costs	(1.2)	(1.0)
	(12.3)	(10.9)

There were no pension contributions in the period.

**8 Directors' remuneration**

	2025	2024
	€m	€m
Directors' remuneration	(0.3)	(0.2)
Pension contributions	-	-
	(0.3)	(0.2)

The aggregate of remuneration and amounts receivable under long term incentive schemes of the highest paid Director was €0.3m (2024: €0.2m) and pension contributions of €nil (2024: €nil).

The other Directors were fully remunerated by the Company's parent, Nando's Chickenland Limited.

During the year no (2024: none) Director received remuneration under a long-term incentive scheme.

There were no payments made to any third party for their services as director in this company (2024: €nil).

Notes to the Financial Statements (continued)

9 Financial income

	2025	2024
	€m	€m
Interest income	0.5	-
	<u>0.5</u>	<u>-</u>

10 Financial expense

	2025	2024
	€m	€m
Interest expense on lease liability	(1.0)	(1.0)
Loss on foreign exchange	(0.1)	(0.2)
	<u>(1.1)</u>	<u>(1.2)</u>

11 Taxation

Analysis of charge in period

	2025	2024
	€m	€m
<i>Current tax expense</i>		
Current tax charge	1.0	0.8
Adjustment in respect of prior period	0.3	-
Tax on profit	<u>1.3</u>	<u>0.8</u>
<i>Deferred tax</i>		
Origination of timing differences	0.1	0.1
Adjustment in respect of prior period	(0.1)	(0.1)
Tax on profit on ordinary activities	<u>1.3</u>	<u>0.8</u>

The standard rate of corporation tax in the Republic of Ireland is 12.5% (2024: 12.5%). The differences are explained below.

	2025	2024
	€m	€m
<i>Total tax reconciliation</i>		
Profit on ordinary activities before tax	7.7	4.7
Tax using Ireland corporation tax rate of 12.5% (2024: 12.5%)	<u>1.0</u>	<u>0.6</u>
<i>Effect of</i>		
Ineligible depreciation	-	0.2
Adjustments in respect of prior periods	0.2	(0.1)
Non-deductible IP amortisation	0.1	0.1
Total tax charged (see note above)	<u>1.3</u>	<u>0.8</u>

Notes to the Financial Statements (continued)

12 Property, plant and equipment

	Plant and Equipment	Leasehold Improvements	Total
	€m	€m	€m
<b>Costs 2024</b>			
At beginning of period	4.7	13.9	18.6
Additions	1.0	1.8	2.8
Disposals	-	-	-
At end of period	5.7	15.7	21.4
<b>Depreciation 2024</b>			
At beginning of period	3.7	6.1	9.8
Depreciation charge for period	0.3	0.9	1.2
Disposals	-	-	-
At end of period	4.0	7.0	11.0
<b>Net book value at 25 February 2024</b>	<b>1.7</b>	<b>8.7</b>	<b>10.4</b>
<b>Costs 2025</b>			
At beginning of period	5.7	15.7	21.4
Additions	0.3	0.5	0.8
Disposals	-	-	-
At end of period	6.0	16.2	22.2
<b>Depreciation 2025</b>			
At beginning of period	4.0	7.0	11.0
Depreciation charge for period	0.4	0.9	1.3
Disposals	-	-	-
At end of period	4.4	7.9	12.3
<b>Net book value at 23 February 2025</b>	<b>1.6</b>	<b>8.3</b>	<b>9.9</b>

Impairment review

The Company considers each restaurant to be a CGU and each CGU is reviewed annually for indicators of impairment.

In assessing whether an asset has any indicators of impairment, the carrying amount of the CGU is compared to its recoverable amount. The recoverable amount is the higher of its fair value, less costs of disposal and its value in use. In the absence of any information about the fair value of a CGU, the recoverable amount is deemed to be its value in use.

The Company estimates value in use by calculating the payback period for each CGU based on its carrying amount and the returns generated during the current year. Should this payback period be sufficiently short, the CGU's carrying value is deemed justified.

Any CGUs not generating sufficient returns are then subject to a discounted cash flow projection to evaluate their value in use.

All CGUs generated adequate returns to satisfy the above conditions so there were no indicators of impairment, which would lead to a full impairment review.

Notes to the Financial Statements (continued)

13 Intangible Assets

	Intellectual Property €m	Total €m
<b>Costs 2024</b>		
At beginning of period	13.5	13.5
At end of period	13.5	13.5
<b>Amortisation 2024</b>		
At beginning of period	5.4	5.4
Charge for period	0.7	0.7
At end of period	6.1	6.1
<b>Net book value at 25 February 2024</b>	<b>7.4</b>	<b>7.4</b>
<b>Costs 2025</b>		
At beginning of period	13.5	13.5
At end of period	13.5	13.5
<b>Amortisation 2025</b>		
At beginning of period	6.1	6.1
Charge for period	0.7	0.7
At end of period	6.8	6.8
<b>Net book value at 23 February 2025</b>	<b>6.7</b>	<b>6.7</b>

The intellectual property relates to an acquired perpetual license from Nando's Chickenland Limited for consideration of €13.5m. All intellectual property relates to Republic of Ireland operations of which there is 10 years of amortisation remaining.

14 Inventories

	2025 €m	2024 €m
Raw materials and consumables	0.1	0.1
	0.1	0.1

During the period, the cost of raw materials and consumables charges to cost of sales was €8.6m (2024: €8.8m)

15 Trade and other receivables

	2025 €m	2024 €m
Prepayments	0.2	0.3
Loans due from inter-group undertakings	20.5	-
	20.7	0.3

Loans due from inter-group undertakings includes a new loan of €20.0m (2024: €nil) issued to Nando's Chickenland Limited, the immediate parent company of Nando's Chickenland Ireland Limited. The carrying value of the loan was €20.5m as at 23 February 2025. The loan bears interest at EURIBOR +2.50%.

Notes to the Financial Statements (continued)

16 Trade and other payables

	2025	2024
	€m	€m
Trade payables	(1.7)	(1.7)
Accruals	(2.1)	(2.4)
Tax and social security	(1.0)	(0.8)
Amounts due to group undertakings	-	(0.1)
Contract liability	(0.5)	(0.4)
Other payables	(0.4)	-
	<u>(5.7)</u>	<u>(5.4)</u>

17 Deferred tax liabilities

**Recognised deferred tax assets and liabilities**

Deferred tax assets and liabilities are attributable to the following:

	Liabilities	
	2025	2024
	€m	€m
Difference between accumulated depreciation, amortisation and capital allowances	(0.4)	(0.4)
Other short term timing differences	-	-
Deferred tax (liability) / asset	<u>(0.4)</u>	<u>(0.4)</u>

**Movement in deferred tax**

	Total
	€m
Balance at 26 February 2023	<u>(0.4)</u>
Charged to income	(0.1)
Adjustment in respect of prior periods	0.1
<b>Balance at 25 February 2024</b>	<u>(0.4)</u>
Charged to income	(0.1)
Adjustment related to prior periods	0.1
<b>Balance at 23 February 2025</b>	<u>(0.4)</u>

Notes to the Financial Statements (continued)

18 Leases

This note provides information for leases where the Company is a lessee.

*Amounts recognised in the balance sheet:*

<b>Right-of-use asset</b>	<b>€m</b>
Right of use assets is made up of the following:	
<b>Balance at 26 February 2023</b>	<b>14.7</b>
Additions to right of use assets	-
Modifications to right of use assets	-
Depreciation charge	(1.4)
<b>Balance at 25 February 2024</b>	<b>13.3</b>
Additions to right of use assets	-
Modifications to right of use assets	0.1
Depreciation charge	(1.5)
<b>Balance at 23 February 2025</b>	<b>11.9</b>

<b>Lease liability</b>	<b>2025</b>	<b>2024</b>
<i>Maturity analysis - contractual undiscounted cash flows</i>	<b>€m</b>	<b>€m</b>
Less than one year	(2.3)	(3.9)
One to five year	(7.9)	(14.3)
More than five years	(10.2)	(20.9)
<b>Total undiscounted lease liabilities</b>	<b>(20.4)</b>	<b>(39.1)</b>

Total lease liability of which:	<b>(15.2)</b>	<b>(16.3)</b>
Current lease liability	(2.1)	(2.5)
Non-current lease liability	(13.1)	(13.8)

<b>Lease liability</b>		
Opening total lease liability	(16.3)	(17.3)
Additions	-	-
Modifications	(0.1)	-
Interest expense	(1.0)	(1.0)
Rent payments	2.2	2.0
<b>Closing total lease liability</b>	<b>(15.2)</b>	<b>(16.3)</b>

*Amounts recognised in the statement of profit and loss:*

<b>Depreciation charge of right of use assets</b>	<b>2025</b>	<b>2024</b>
	<b>€m</b>	<b>€m</b>
Depreciation charge for the year	(1.5)	(1.4)
<b>Other charges recognised due to leases</b>		
Interest expense (included in financial expense)	(1.0)	(1.0)

*The Company's leasing activities and how these are accounted for:*

The Company leases various restaurants and offices. Rental contracts are typically made for fixed periods of 15 years to 26 years.

Contracts may contain both lease and non-lease components. The Company allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices.

Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

**Notes to the Financial Statements (continued)**

*Extension and termination options:*

Extension and termination options are included in a number of property and equipment leases across the Company. These are used to maximise operational flexibility in terms of managing the assets used in the Company's operations. The majority of extension and termination options held are exercisable only by the Company and not by the respective lessor.

**19 Share capital**

	2025	2024
	€m	€m
Allotted, called and fully paid 2,500 Ordinary shares of €1 each	-	-

**20 Related parties**

No recharges were made in the current year (2024: €nil). At 23 February 2025, a balance of €nil (2024: €0.1m) was owed to Nando's Chickenland Limited.

During current period a new loan of €20.0m (2024: €nil) was issued to Nando's Chickenland Limited, the immediate parent company of Nando's Chickenland Ireland Limited. The carrying value of the loan was €20.5m as at 23 February 2025. The loan bears interest at EURIBOR +2.50%.

The key management personnel for the Company is made up of the four Directors of the Company. The compensation of key management personnel is as follows.

	2025	2024
	€m	€m
Key management remuneration including social security costs	0.3	0.2

**21 Financial risk management objectives and policies**

The Company's principal financial instruments comprise cash, trade and other receivables and trade and other payables. The financial instrument policies can be found in the accounting policies in Note 1. The agreed policies for managing the financial risks are summarised below:

**Interest rate risk**

As the Company has no overdraft or loan facility, there is no deemed interest rate risk.

**Liquidity risk**

The Company's funding strategy includes use of cash and the detailed cash flow forecasting of the immediate parent company to avoid the risk of a shortage of funds.

Excess cash used in managing liquidity is placed on overnight interest-bearing deposit thereby allowing short term flexibility of funding.

**Credit risk**

Credit risk is not a significant risk to the Company. The increase in trade and other receivables during the current period relates to a loan issued to Nando's Chickenland Limited, the immediate parent of the Company and is expected to be fully settled.

**Foreign currency risk**

Foreign exchange exposure arises from any movements between the Pound and Euro exchange rates. Although the majority of suppliers invoice in Euros there is a minority that are sterling based, however the exchange rate risk on these suppliers is insignificant to the Company.

The greatest exposure the Company faces relates to its intercompany balance with its Parent, Nando's Chickenland Limited. This is mitigated by the Board of Directors of the Parent company agreeing that it is the policy of Nando's Chickenland Limited to provide financial support to the Company to enable it to continue to trade for the foreseeable future.

## **Notes to the Financial Statements (continued)**

### ***Capital management***

The Company's primary objective in regard to capital management is to ensure that it continues to operate as a going concern and has sufficient funds at its disposal to grow the business going forward.

The Company aims to maintain sufficient funds for working capital and future investment in order to meet growth targets. These matters are considered at regular intervals and form part of the business planning and budgeting processes.

### **22 Ultimate parent company**

The Company's immediate parent company is Nando's Chickenland Limited, incorporated in the United Kingdom and conducting business from Erico House, 83-99 Upper Richmond Road, London, SW15 2TG.

The largest group in which the results of the Company are consolidated is that headed by Nando's Group Holdings Limited, that owns 99.3% of the share capital of the immediate parent and is incorporated in the United Kingdom. No other group financial statements include the results of the Company. The consolidated financial statements of the group are available to the public and may be obtained from its registered office at St Mary's House, 42 Vicarage Crescent, Battersea, Battersea, London, SW11 3LD.

The ultimate controlling party is L Perlman SECS, incorporated in Luxembourg and conducting business from 39 Monterey L-2163, Luxembourg. No consolidated accounts of this group are available.

### **23 Subsequent events**

There have been no subsequent events occurring after the reporting date.

### **24 Approval of financial statements**

The Board of Directors approved these financial statements for issue on 6 November 2025.