

# FRASERS GROUP

17 July 2025

FRASERS GROUP PLC ("Frasers Group", "the Group", or "the Company")

Full year results for the 52 weeks ended 27 April 2025 ("FY25")

**Building a broader platform for multi-year, sustainable profitable growth**

**Michael Murray, Chief Executive of Frasers Group:**

"I'm pleased with our performance this year, despite the headwinds caused by last year's Budget. We remain fully committed to our Elevation Strategy, which drove another record year of profitable growth and further delivery of our key priorities. We continued our strategy of confidently investing for the future, unlocking multiple opportunities for sustainable medium- to long-term growth. We accelerated our international expansion, announcing partnerships in Australia, Asia and EMEA, to further build Sports Direct into a truly worldwide proposition. Our relationships with the world's best global brands, including Nike, adidas and HUGO BOSS, are the strongest they have ever been, and our ambitious growth plans are now strengthening and scaling these partnerships even further. We captured over £125m of synergies through strategic acquisition integrations and cost-savings, and continued to invest in real estate opportunities that deliver great value for the Group. Frasers Plus is going from strength-to-strength and is on track to meet its long-term ambitions. Delivering on all of these priorities demonstrates disciplined execution business-wide, but there is still more important work to be done.

For FY26 so far, we are seeing positive momentum across the Group, including strong performance at Sports Direct – and we have big ambitions to continue to raise the bar. We are working hard to mitigate the £50m-plus of extra costs caused by last year's Budget, and we are currently expecting FY26 APBT in the range £550m-600m\*. Looking further forward, we remain confident in our strategy and our plans to deliver multi-year, sustainable profitable growth. Thank you to our teams for their continued hard work and dedication."

\* Excluding the results of XXL ASA which was acquired by the Group on 27 June 2025.

## Headlines

• Continued strategic progress against key priorities:

1. Focus on underlying profitable growth
  - APBT <sup>(2)</sup> of £560.2m (+2.8%). Another year of record profitable growth, with H2 APBT up 8.3%.
  - Group and retail gross margin % up 150bps and 170bps year-on-year respectively, driven by improved product and retail mix which is expected to be sustainable.
  - Delivered £127.2m of underlying cost-savings and synergy benefits, largely from recent investments in warehouse automation and acquisitions.
  - Another period of sales growth in Sports Direct UK. UK Sports profit from trading up £7.4m (1.6%) to £475.8m.
  - Premium Lifestyle's profit from trading up £20.2m (14.7%) to £157.4m, driven by integration and other cost benefits offsetting the continuing challenges in the luxury market.
  - Disposed of the non-core, low profit margin Game Spain business for €25m.
2. Elevation Strategy, best brands and international expansion
  - A breakthrough year for Sports Direct's international ambitions, with new or extended strategic partnerships and acquisitions announced worldwide, building a broader platform for global growth.
  - Driving even stronger relationships with the biggest global brands, including with strategic brand partners Nike, Adidas, HUGO BOSS. After period end, Michael Murray was appointed to the HUGO BOSS supervisory board.
  - Further UK property investments at attractive yields to satisfy our occupational demand, with new shopping centres and retail park acquisitions including Doncaster's Frenchgate, Exeter's Princesshay, Maidstone's Fremlin Walk, and Affinity outlets.
  - Continue to invest in UK luxury and premium retail, further consolidating a market that is showing early signs of becoming less challenging. Added 12 new stores and over 400k sq. ft, including FLANNELS Leeds and FRASERS/Sports Direct Sheffield.
3. Acquisition integrations and automation synergies
  - £127.2m of underlying cost savings and synergies offset the planned reductions in low margin sales at Studio and Game, and the impact of right-sizing JD Sports Fashion Premium Brands and SportMaster in Denmark.
  - Increased warehouse efficiency, driven by automation and rationalisation of our warehouse estate, enabled a £224.7m (15.0%) reduction in gross inventory year-on-year, at the top end of our 5-15% target range (excluding the impact of the disposal of Game Spain).
4. Frasers Plus
  - Good progress towards our long-term ambitions of delivering £1bn+ in sales, £600m in credit balances, a greater than 15% yield, and over 2 million active Frasers Plus customers (excluding any third-party partnerships). The business

added 507k new customers in FY25 and Frasers Plus accounted for 12.2% of UK online sales. Post year-end, the active customer base has passed one million and penetration has increased to 18.9%.

- Strategic partnerships with THG, Hornby and Marks Electrical continue to grow. Further partnerships with Super Payments and eBuyer underway after period-end.

#### 5. Strong balance sheet and cash flow

- The Group's strategy is underpinned by a strong balance sheet with net assets increasing to £1,988.1m from £1,873.0m at FY24. Net assets per share increased to £4.41, a three-year CAGR of 18.0%.
- Cash inflow from operating activities before working capital movements of £800.4m has enabled the Group to continue to invest in international sports, UK luxury retail, Frasers Plus, our property portfolio and our strategic partnerships such as HUGO BOSS and Accent Group.
- Net debt excluding securitisation of £847.5m (£320.8m at FY24), reflecting capital expenditure and strategic investments in FY25, particularly Accent Group and HUGO BOSS.
- After period-end, we announced that we secured a new £3.0bn Term Loan and Revolving Credit Facility, replacing the previous £1.65bn arrangement, with options to extend the term up to five years and increase the facility by £0.5bn. We wish to thank our banking partners for their significant support of Frasers Group and our ongoing execution of the Elevation Strategy.

## Outlook

Following an especially weak period after last year's Budget, both UK consumer confidence and trading conditions improved into 2025, and recent sales trends have been more encouraging. For FY26, we are mindful of the various macro headwinds and still expect to incur at least £50m of incremental costs as a result of last year's Budget, but we are working hard to mitigate those by taking more costs out, focussing on potential efficiencies through the use of AI, realising further acquisition synergies, and sustaining a robust gross margin. We will not compromise on our ambitious plans to build a broader platform for long-term growth and remain fully committed to sustained long-term investment in our successful Elevation Strategy and international expansion. We are currently expecting FY26 APBT in the range £550m-£600m\*.

Longer term, we remain excited by the potential across the Group, especially for Sports Direct after our significant recent step up in international expansion, and for Frasers Plus, and expect these to contribute to our ambitious plans for developing and delivering multi-year, sustainable profitable growth.

\* Excluding the results of XXL ASA which was acquired by the Group on 27 June 2025.

	FY25	FY24 <sup>(1)</sup>	Change
<b>Income statement summary</b>			
UK Sports Retail	£2,698.1m	£2,908.9m	(7.2%)
Premium Lifestyle	£1,048.2m	£1,229.8m	(14.8%)
International Retail	£1,007.4m	£994.6m	1.3%
Retail revenue	£4,753.7m	£5,133.3m	(7.4%)
Property	£86.6m	£72.7m	19.1%
Financial Services	£85.3m	£111.0m	(23.2%)
Group revenue	£4,925.6m	£5,317.0m	(7.4%)
Retail gross margin	45.6%	43.9%	+170 bps
Group gross margin	46.8%	45.3%	+150 bps
Retail operating costs	(£1,418.9m)	(£1,521.1m)	6.7%
<b>Retail profit from trading</b>	<b>£747.3m</b>	<b>£732.8m</b>	<b>2.0%</b>
Other operating costs	(£92.3m)	(£73.6m)	(25.4%)
Fair value adjustments to investment properties	£13.1m	£11.5m	13.9%
Gain on disposal of properties	£0.6m	£3.5m	(82.9%)
<b>Group profit from trading</b>	<b>£808.9m</b>	<b>£829.5m</b>	<b>(2.5%)</b>
Depreciation & amortisation	(£275.4m)	(£284.5m)	3.2%
Impairments net of impairment reversals	£9.6m	(£21.4m)	144.9%
Share-based payments	(£0.8m)	(£23.4m)	96.6%
Foreign exchange realised	£14.7m	£14.4m	2.1%
<b>Operating profit</b>	<b>£557.0m</b>	<b>£514.6m</b>	<b>8.2%</b>

<b>Reported profit before tax ("PBT") from continuing operations</b>	<b>£379.4m</b>	<b>£501.0m</b>	<b>(24.3%)</b>
Result from discontinued operations	£6.3m	(£6.5m)	
Fair value adjustment to derivative financial instruments	£46.8m	(£27.6m)	
Fair value losses and loss on disposal of equity derivatives	£141.6m	£68.9m	
Foreign exchange realised	(£14.7m)	(£14.4m)	
Share-based payments	£0.8m	£23.4m	
<b>Adjusted profit before tax ("APBT")<sup>(2)</sup></b>	<b>£560.2m</b>	<b>£544.8m</b>	<b>2.8%</b>
Reported basic earnings per share ("EPS")	67.5p	86.8p	(22.2%)
Adjusted basic EPS <sup>(2)</sup>	98.1p	95.8p	2.4%

<b>Balance Sheet summary</b>			
Property, plant & equipment	£1,097.2m	£962.6m	14.0%
Investment property	£513.3m	£350.5m	46.5%
Long-term financial assets	£959.1m	£495.4m	93.6%
Inventories (net of provision)	£1,128.3m	£1,355.3m	(16.7%)
Net assets	£1,988.1m	£1,873.0m	6.1%
Net assets per share	£4.41	£4.16	6.1%
<b>Cashflow &amp; capital allocation</b>			
Cash inflow from operating activities before working capital	£800.4m	£834.6m	(4.1%)
Net capital expenditure	(£399.3m)	(£211.3m)	(89.0%)
Purchase of listed investments, net of disposal proceeds	(£694.0m)	(£249.3m)	(178.4%)
Purchase of own shares	-	(£126.4m)	100.0%

### Summary of financial performance

- APBT<sup>(2)</sup> increased by 2.8% to £560.2m despite the non-recurrence of the £25.0m gain on disposal of the Misguided intellectual property in FY24, an £11.8m loss on disposal of Game Spain, and a £40.1m reduction in profit from trading in the Financial Services segment, due to our decision to wind down the Studio Pay receivables portfolio and focus on Frasers Plus, an approach which reduces revenue and increases impairment charges in the near-term. A net reversal of property related impairments of £9.6m has been recorded in the current period (FY24: £21.4m net impairment including impairments of intangible assets) as a result of our future forecasts outweighing our previous downside impairment assumptions.
- Reported PBT of £379.4m, a decrease of 24.3%. The Group's trading performance has been offset by foreign exchange losses (vs. gains in FY24) and non-cash fair value movements on equity derivatives, primarily relating to the material decline in the HUGO BOSS share price. Both of these non-cash adjustments were exacerbated by the market reaction to proposed tariffs by the US government around the year-end date, impacts which, in the case of equity markets, have largely reversed since year-end.
- Group:
  - Retail revenue decreased by 7.4%. Continued sales growth from Sports Direct, reflecting the ongoing success of the Elevation Strategy and strengthening brand relationships, and the acquisition of Twinsport was more than offset by planned declines in Game UK, Studio Retail, the companies acquired from JD Sports and SportMaster in Denmark as these previously unprofitable businesses were right-sized and put on a more sustainable footing. In addition, the luxury market continued to be challenging although it is now showing some early signs of improvement.
  - Group gross margin % increased to 46.8% from 45.3% due to an improved mix effect, as the lower margin % businesses reduce as a proportion of total revenue and the higher margin Sports Direct and FLANNELS businesses increased their share.
- UK Sports (54.7% of total group revenue):
  - Revenue decreased by 7.2%. Continued sales growth from Sports Direct reflecting the ongoing success of the Elevation Strategy and strengthening brand relationships, was more than offset by planned declines in Game UK and Studio Retail.
  - Gross profit decreased by £50.8m as a result of the sales decline but gross margin % increased by +180 bps to 48.2% reflecting the fact that the higher margin Sports Direct business now makes up a greater proportion of this segment.
  - Operating costs reduced by £58.2m as the benefits of integrating and right-sizing the lower margin businesses were realised. This contributed to a £7.4m (1.6%) increase in the segment's profit from trading.
- Premium Lifestyle (21.3% of total group revenue):
  - We continue to develop and invest in our unique luxury proposition, including the recent opening of FLANNELS in Leeds and FRASERS in Sheffield, and right-sizing the premium businesses such as House of Fraser and JD Sports acquisitions. Our long-term

ambitions for the luxury business remain unchanged and we have taken this opportunity to consolidate in order to further strengthen our position.

- Revenue decreased by 14.8% as we continued to optimise our store portfolio in House of Fraser and in the businesses acquired from JD Sports, reducing the number of stores from 44 at 28 April 2024 to 29 at 27 April 2025.
- Segment profit from trading increased by £20.2m as a £43.8m decrease in gross profit, driven by the revenue decline noted above, was more than offset by a 230bps increase in gross margin % from 37.1% to 39.4% (the result of an improving mix effect with FLANNELS increasing its share) and a £64.0m decrease in operating costs as the benefits of integrating and right-sizing the premium businesses was realised.
- International Retail (20.5% of total group revenue):
  - Revenue increased by 1.3% due to growth from the Sports Direct International business and the acquisition of Twinsport, partially offset by Sportmaster, which was integrated in FY24.
  - Segment profit from trading decreased by £13.1m year-on-year. Gross profit increased by £6.9m as a result of the revenue growth noted above, whilst overhead costs increased by £20.0m due to inflationary pressures and acquisition related costs.
  - Working with our global brand partners, FY25 was a breakthrough year for our international growth ambitions for Sports Direct, both deploying our consistently strong cash flow and signing capital-light partnerships. We extended our partnership with MAP Active and now plan 350 new stores, further into Indonesia plus five new countries: India, the Philippines, Thailand, Vietnam, and Cambodia. In Australia/New Zealand, we increased our investment in Accent Group to 14.57% (and to 19.57% after year-end), and announced a long-term strategic partnership which includes plans for at least 50 Sports Direct stores in the first six years and a long-term objective of 100. We also signed a new partnership with GMG, targeting 50 new Sports Direct stores in the Gulf/Egypt over the next five years. In Africa, we announced the acquisition of Holdsport in South Africa/Namibia (completed after year end), and acquired a significant shareholding in Hudson, providing expansion opportunities into Africa/Malta. In addition, we completed the acquisitions of Twinsport in the Netherlands and, after year end, XXL in Scandinavia.
- Property (1.8% of total group revenue):
  - Property investment remains a key focus for the Group, unlocking occupational demand for our retail business whilst delivering strong returns that can be recycled at the appropriate time.
  - Revenue increased by £13.9m (19.1%), due to the annualisation of prior year acquisitions such as the Castleford shopping centre and acquisitions in FY25 including Doncaster's Frenchgate, Exeter's Princesshay, Maidstone's Fremlin Walk, and Affinity outlets.
  - Segment profit from trading increased by £5.0m, with the additional rental income being partially offset by an £5.8m increase in operating costs (including purchase related costs).
- Financial Services (1.7% of total group revenue):
  - We see a great opportunity for Frasers Plus as a new revenue stream and a key pillar of our compelling brand ecosystem.
  - Frasers Plus continues to make good progress towards our long-term ambition of delivering £1bn+ in sales, £600m in credit balances, a greater than 15% yield, and over 2 million active Frasers Plus customers (excluding any third-party partnerships). The business added 507k new customers in FY25 and Frasers Plus accounted for 12.2% of UK online sales. Post year-end, the active customer base has passed one million and penetration has increased to 18.9%.
  - We continue to prioritise the growth of our new Frasers Plus credit offering and reduce the Studio Pay receivables book, which is now closed to new customers, and as a result, revenue decreased by £25.7m (23.2%) vs. FY24.
  - Segment profit from trading decreased by £40.1m due to the revenue decline noted above and an increase in overhead costs arising from the dual running of Frasers Plus and Studio Pay. FY24 also benefited from an £11.8m gain in respect of exiting a legacy property lease.
  - Strategic partnerships with THG, Hornby and Marks Electrical continue to grow. Further partnerships with Super Payments and eBuyer underway after period-end.
- Basic EPS of 67.5p, a decrease of 19.3p (22.2%) year-on-year. Adjusted EPS <sup>(2)</sup> of 98.1p, an increase of 2.3p (2.4%) reflecting the increase in APBT <sup>(2)</sup> partially offset by an increase in effective tax rate.
- The Group's strategy is underpinned by a strong balance sheet with net assets increasing to £1,988.1m from £1,873.0m at FY24 due to the Group's profitability in FY25, partially offset by a decrease in the fair value of the Group's strategic investments recognised in other comprehensive income. Net assets per share increased to £4.41, a three-year CAGR of 18.0%.
- Cash inflow from operating activities before working capital movements of £800.4m has enabled the Group to continue to invest in international sports and leisure, UK luxury retail, Frasers Plus, our property portfolio and our strategic partnerships such as HUGO BOSS and Accent Group.
- Net debt excluding securitisation of £847.5m (£320.8m at FY24), reflecting capital expenditure and strategic investments in FY25, particularly Accent Group and HUGO BOSS.

#### Acquisitions and investments

- During FY25, the Group has made further substantial strategic investments, particularly in HUGO BOSS as the Group continues to explore opportunities to expand commercial relationships and further develop the Group's ecosystem.
- After period end, the Group completed the acquisition of Holdsport in South Africa/Namibia and XXL ASA in Scandinavia. We will continue to collaborate with relevant stakeholders and share best practices, in line with our international expansion strategy, but it is too early to say what the financial impact will be given the significant challenges XXL has seen in recent years.
- Group representative appointed to the Board of Mulberry plc effective from 30 July 2025.

## Other notes

- (1) Restated to reflect the classification of the results of Game Spain as a discontinued operation and the reclassification of delivery income and costs associated with free-issue gift vouchers from selling, distribution and administrative expenses to revenue. Please refer to note 1 of the financial information for further details.
- (2) This is an Alternative Performance Measure, for which the reconciliation to the equivalent GAAP measure is set out in note 3 to the financial information. Adjusted EPS is discussed in note 9 to the financial information.

## Enquiries

Andrew Kasoulis

**Investor Relations Director**

E. [andrew.kasoulis@frasers.group](mailto:andrew.kasoulis@frasers.group)

T. 07826 532191

Kathleen Glover

**Frasers Group PR**

E. [fgpr@frasers.group](mailto:fgpr@frasers.group)

T. 07878 771 800

Rosie Oddy

**Brunswick Group, PR Advisors**

E. [frasersgroup@brunswickgroup.com](mailto:frasersgroup@brunswickgroup.com)

T. 07557 804 512

## Restatement of prior period financial information

As noted above, prior period results have been restated to reflect the classification of the results of Game Spain as a discontinued operation and the reclassification of delivery income and costs associated with free-issue gift vouchers from selling, distribution and administrative expenses to revenue. Restated information showing the results from H1 of FY25 and FY24 on an equivalent basis is given in the tables below.

### 26 weeks ended 27 October 2024

	UK Sports	Premium lifestyle	International	Retail	Property	Financial Services	Group Total
	(£'m)	(£'m)	(£'m)	(£'m)	(£'m)	(£'m)	(£'m)
Revenue	1,409.4	486.0	515.8	2,411.2	38.0	45.7	2,494.9
Cost of sales	(748.8)	(308.1)	(289.6)	(1,346.5)	(4.4)	(12.6)	(1,363.5)
Gross profit	660.6	177.9	226.2	1,064.7	33.6	33.1	1,131.4
Gross Margin %	46.9%	36.6%	43.9%	44.2%	88.4%	72.4%	45.3%
Operating costs	(405.4)	(121.6)	(171.2)	(698.2)	(11.8)	(20.2)	(730.2)
Fair value adjustments to investment properties	-	-	-	-	-	-	-
Gain/(loss) on disposal of properties	-	-	-	-	0.3	-	0.3
Profit from trading	255.2	56.3	55.0	366.5	22.1	12.9	401.5
Depreciation & amortisation	(61.7)	(15.2)	(34.7)	(111.6)	(22.4)	(0.7)	(134.7)
Impairments net of impairment reversals	5.5	7.3	2.4	15.2	(0.7)	-	14.5
Share-based payments	(4.7)	-	-	(4.7)	-	-	(4.7)
Foreign exchange realised	(4.4)	(0.1)	(4.4)	(8.9)	0.1	-	(8.8)
<b>Operating profit/(loss)</b>	<b>189.9</b>	<b>48.3</b>	<b>18.3</b>	<b>256.5</b>	<b>(0.9)</b>	<b>12.2</b>	<b>267.8</b>
Loss on sale of subsidiaries/discontinued operations							(0.8)
Net investment costs							(0.6)
Share of profit of associated undertakings							1.0
Net finance costs							(59.2)
<b>Profit before tax</b>							<b>208.2</b>
Result from discontinued operation							3.3
Fair value adjustment to derivative financial instruments							10.2
Fair value losses on equity derivatives							64.0
Realised FX gain							8.8
Share-based payments							4.7
<b>Adjusted profit before tax ("APBT")</b>							<b>299.2</b>

### 26 weeks ended 29 October 2023

	UK Sports	Premium lifestyle	International	Retail	Property	Financial Services	Group Total
	(£'m)	(£'m)	(£'m)	(£'m)	(£'m)	(£'m)	(£'m)
Revenue	1,513.2	564.0	512.7	2,589.9	31.4	57.3	2,678.6
Cost of sales	(825.7)	(347.0)	(282.2)	(1,454.9)	(4.2)	(15.2)	(1,474.3)
Gross profit	687.5	217.0	230.5	1,135.0	27.2	42.1	1,204.3
Gross Margin %	45.4%	38.5%	45.0%	43.8%	86.6%	73.5%	45.0%
Operating costs	(440.9)	(177.1)	(153.2)	(771.2)	(17.7)	(3.8)	(792.7)
Fair value adjustments to investment properties	-	-	-	-	-	-	-
Gain/(loss) on disposal of properties	-	-	-	-	-	-	-
Profit from trading	<b>246.6</b>	<b>39.9</b>	<b>77.3</b>	<b>363.8</b>	<b>9.5</b>	<b>38.3</b>	<b>411.6</b>
Depreciation & amortisation	(59.2)	(19.0)	(33.0)	(111.2)	(20.5)	(0.8)	(132.5)
Impairments net of impairment reversals	23.7	2.4	(4.2)	21.9	(16.0)	-	5.9
Share-based payments	(9.3)	-	-	(9.3)	-	-	(9.3)
Foreign exchange realised	24.9	(0.2)	(4.6)	20.1	1.8	-	21.9
<b>Operating profit/(loss)</b>	<b>226.7</b>	<b>23.1</b>	<b>35.5</b>	<b>285.3</b>	<b>(25.2)</b>	<b>37.5</b>	<b>297.6</b>
Gain on sale of subsidiaries/discontinued operations							20.0
Net investment income							13.0
Share of profit of associated undertakings							-
Net finance costs							(20.9)
<b>Profit before tax</b>							<b>309.7</b>
Result from discontinued operation							0.5
Fair value adjustment to derivative financial instruments							(15.7)
Fair value losses on equity derivatives							21.9
Realised FX gain							(21.9)
Share-based payments							9.3
<b>Adjusted profit before tax ("APBT")</b>							<b>303.8</b>

### Delivering on our priorities

FY25 marked another record year of profitable growth and continued investment in Frasers Group's Elevation Strategy. We set six key priorities for the year, and I'm proud to share that we have delivered against each of these, thanks to our team's laser focus and commitment. While we've made meaningful strides, we remain sharply focused on the opportunities for growth ahead and are motivated to turn this momentum into sustained long-term success.

#### 1- **Unlock international opportunity**

FY25 marked a step-change in global expansion. We've grown our footprint this year, announcing seven strategic partnerships and acquisitions that reach an additional 55 countries. With plans to open hundreds of new stores in the coming years, this strategic execution has created a strong platform for future growth and scaling.

#### 2- **Brand partnerships**

Strategic brand partnerships are the strongest they've ever been across sport, premium, and luxury, including with Nike, Adidas and HUGO BOSS - where I was recently appointed to the Supervisory Board. Our position as a key partner for the world's best brands was further reinforced, operating as a global wholesale partner and continuing to diversify our offering with new brands like Casablanca and Fear of God at FLANNELS. Through our international partnerships, we have unlocked widespread distribution opportunities for brands as demonstrated through Hudson / Nike in Africa and Accent / Hoka in Australia. We also now act as valued landlords for brand partners across our UK property portfolio, offering direct-to-consumer access and retail synergies.

#### 3- **Synergies & cost savings**

We unlocked meaningful synergies and cost-savings through ongoing integration and operational alignment, generating £127.2m in efficiencies. This is a significant achievement, driven by a focused effort to streamline operations while also ensuring we do not undo the strong progress established by the Elevation Strategy.

#### 4- **Reduce stockholding by 5%-15%**

We delivered a like-for-like stockholding reduction of 15.0%, reflecting the top end of our target range. This was driven by a focus on inventory discipline and our state-of-the-art automated facility, which will further support cash generation and a more agile operating model going forward.

#### 5- **Value creation via property acquisitions**

We further strengthened our property portfolio through the acquisition of 12 strategic assets for a total consideration of £233.1m, continuing to drive long-term value creation and flexibility across the Group.

#### 6- **Frasers Plus Growth**

Our FCA-regulated credit and loyalty programme, Frasers Plus, has continued to perform well this year, with over 1 million active customers now on the platform and digital penetration increasing to 12.2%, reflecting the growing strength of our financial services proposition.

### Retail

Retail is the foundation of our business as we continue to drive our ambition to build the world's most compelling and admired brand ecosystem across sport, premium, and luxury.

#### *Sport*

FY25 has been another strong year for sport retail, led by Sports Direct. We continued to enhance our Sports Direct UK store portfolio, with new stores in Manchester's Trafford Palazzo and Westfield London shopping centres. We also strengthened customers' omnichannel shopping experience, with the launch of an all-new Sports Direct app and Sports Direct Membership – a new benefit-based programme designed to reward loyal customers with exclusive benefits and personalised offers. Since launching in February, the inaugural programme has seen strong uptake among Sports Direct customers, who are enjoying a more seamless omnichannel shopping experience. We also rolled out ten localised Sports Direct websites in Europe, offering more personalisation to customers in those markets. We continued to invest in our Own Brand portfolio, including iconic brands like Slazenger, Everlast and Karrimor, which complement our global brand partners and offer customers further variety in technical and lifestyle apparel at accessible pricing. Our Everlast Gyms proposition also continued to grow, with over 60 locations across the UK, as we aim to provide aspirational training environments nationwide at an accessible price.

International expansion of Sports Direct has been a real area of focus for the Group, offering promising scalability for the future through strategic global partnerships.

- We expanded our partnership with MAP Active with plans to open 350 new stores in Indonesia plus five new countries: India, the Philippines, Thailand, Vietnam, and Cambodia.
- We increased our shareholding in Accent Group and announced a long-term strategic partnership which includes plans for at least 50 Sports Direct stores in the first six years, with the ambitious goal of 100 stores long-term in Australasia. We also now hold a board seat.
- We entered a 10-year agreement with global well-being and retail conglomerate GMG - Nike's distributor in the region - to open around 50 Sports Direct stores across the Gulf and Egypt.

- We acquired South African/Namibian sporting and outdoor retailer, Holdsport, and acquired a significant shareholding in Hudson to serve as a platform for further expansion across Africa. Both businesses also offer brand distribution capabilities and partner with global brands such as Nike. We also now hold a board seat with Hudson.
- After period-end, we acquired struggling Nordic-based retailer XXL - the largest specialist sporting goods provider in the region. It is too early to establish the size of this opportunity and its financial outlook. We will provide a further update on its progress later in the financial year.

Beyond sports retail, our international momentum also lays the groundwork for further potential expansion across our premium and luxury portfolio.

#### *Premium & luxury*

The global premium and luxury landscape remains subdued but is showing early signs of becoming less challenging. Our FLANNELS estate has been successfully elevated, with over 80 stores across the UK and Ireland. This year saw the highly anticipated opening of the impressive 70,000 sq. ft. FLANNELS store in Leeds, as well as innovative FRASERS Concept stores in Sheffield, and Maidstone. We strengthened the digital experience for luxury consumers with a new and improved FLANNELS app, and plan to extend Membership across both FLANNELS and FRASERS in the next year.

#### **Digital**

Further leveraging the unique breadth and depth of Frasers Group's scale, we entered the world of retail media after year-end with the launch of ELEVATE. Currently in its infancy but with aspirations to offer the UK's most comprehensive retail media offering, the new proposition connects brands more effectively with the Group's 30m+ audience – bolstered by increasingly personalised data from Sports Direct Membership. We believe this proposition will be crucial in offsetting the ever-increasing digital marketing costs of third parties.

#### **Property**

Property is a fundamental pillar of our business, and we remain confident in our strategy of acquiring sites that unlock occupational demand for the Group, as we continue to play a pivotal role in reinvigorating UK high streets and retail hubs.

Over the past year, we have made substantial investments in strategic retail locations across the UK, including Doncaster's Frenchgate, Exeter's Princesshay, Maidstone's Fremlin Walk, and four Affinity Outlet properties, as well as a development site in Ansty, Warwickshire.

#### **Frasers Group Financial Services**

Frasers Plus, our FCA-regulated, market leading credit and loyalty proposition has seen its second year of consistent growth. It recently reached the milestone of 1 million active customers and has further diversified through strategic partnerships with THG, Hornby and Marks Electrical, as well as eBuyer and Super Payments after year-end. There is still work to be done, but we're confident in the proposition's future and remain on track to achieve our long-term ambitions as we expand its strategic partnerships and grow the customer base.

#### **Our teams**

Our success starts with our people. From head office to the warehouse and the shop floor, our people are the driving force behind everything we do, which is why we're committed to recognising, rewarding and motivating top talent across the business. Thank you to our teams for their continued hard work and dedication.

#### **Going forward**

Looking to the future, we are actively exploring the long-term role of artificial intelligence across our business, starting with Frasers Plus. We have an ambition to be among the first retailers to adopt a comprehensive AI strategy on this scale and are seeking expert advice through our partnership with Iona Star. Through this, we aim to unlock new sources of value, drive cost optimisation and strengthen employee and customer experiences across the Group. We will share further updates at our half year results in December.

After period-end, we announced that we secured a new £3.0bn Term Loan and Revolving Credit Facility, replacing the previous £1.65bn arrangement, with options to extend the term up to five years and increase the facility by £0.5bn. We wish to thank our banking partners for their significant support of Frasers Group and our ongoing execution of the Elevation Strategy.

#### **Outlook**

We believe the disciplined execution of our Elevation Strategy will continue to drive strong growth across the business. We will continue to invest in this strategy, with a view to the future, while working diligently to mitigate the £50m-plus extra costs incurred by last year's Budget. We are currently expecting FY26 APBT in the range £550m-£600m.\*

Looking to FY26, we've set ambitious priorities for ourselves as we continue to invest in and realise the benefits of our successful Elevation Strategy:

1. Continue to invest for the medium to long-term across key areas of our Elevation Strategy including store estate, digital innovation, strategic acquisitions and more
2. Execute international partnerships and scale brand partners
3. Unlock AI to increase productivity & mitigate costs

4. Focus on property investment opportunities for value creation
5. Frasers Plus growth continues, unlocking value for customers

\* Excluding the results of XXL ASA which was acquired by the Group on 27 June 2025.

Michael Murray

**Chief Executive Officer**

16 July 2025

## PERFORMANCE OVERVIEW

	52 weeks ended 27 April 2025	52 weeks ended 28 April 2024 (1)
Retail revenue	£4,753.7m	£5,133.3m
Total revenue	£4,925.6m	£5,317.0m
Retail gross profit	£2,166.2m	£2,253.9m
Group gross profit	£2,306.4m	£2,409.2m
Retail gross margin	45.6%	43.9%
Group gross margin	46.8%	45.3%
<b>Retail profit from trading</b>	<b>£747.3m</b>	<b>£732.8m</b>
<b>Group profit from trading</b>	<b>£808.9m</b>	<b>£829.5m</b>
<b>Reported profit before tax ("PBT") from continuing operations</b>	<b>£379.4m</b>	<b>£501.0m</b>
<b>Adjusted profit before tax ("APBT") (2)</b>	<b>£560.2m</b>	<b>£544.8m</b>
Reported basic earnings per share ("EPS")	67.5p	86.8p
Adjusted EPS (2)	98.1p	95.8p
Net assets	£1,988.1m	£1,873.0m
Cash inflow from operating activities before working capital	£800.4m	£834.6m

(1) Restated to reflect the classification of the results of Game Spain as a discontinued operation and the reclassification of delivery income and costs associated with free-issue gift vouchers from selling, distribution and administrative expenses to revenue. Please refer to note 1 of the financial information for further details.

(2) This is an Alternative Performance Measure, for which the reconciliation to the equivalent GAAP measure is set out in note 3 to the financial information. Adjusted EPS is discussed in note 9 to the financial information.

The Directors have adopted Alternative Performance Measures (APM's). APM's should be considered in addition to UK-Adopted International Accounting Standards ("UK IAS") measures. The Directors believe that Adjusted profit before tax ("APBT") and Adjusted EPS provide further useful information for shareholders on the underlying performance of the Group in addition to the reported numbers and are consistent with how business performance is measured internally. They are not recognised profit measures under UK IAS and may not be directly comparable with "adjusted" or "alternative" profit measures used by other companies.

Retail revenue decreased by 7.4%. Continued sales growth from Sports Direct, reflecting the ongoing success of the Elevation Strategy and strengthening brand relationships, and the acquisition of Twinsport was more than offset by planned declines in Game UK, Studio Retail, the companies acquired from JD Sports and SportMaster in Denmark as these previously unprofitable businesses were right-sized and put on a more sustainable footing. In addition, the luxury market continued to be challenging although it is now showing some early signs of improvement.

Group gross margin % increased to 46.8% from 45.3% due to an improved mix effect, as the lower margin % businesses reduce as a proportion of total revenue and the higher margin Sports Direct and FLANNELS businesses increased their share.

Retail gross profit declined by £87.7m (3.9%) as continued growth in Sports Direct reflecting the continuing success of the Elevation Strategy and strengthening brand relationships, was more than offset by expected declines in Game UK and Studio Retail, store portfolio in optimisation House of Fraser and in the businesses acquired from JD Sports, and a softer luxury market. Retail overheads reduced by £102.2m as a result of cost savings and synergy benefits in the UK business, partially offset by inflationary pressures and acquisition related costs in the International segment, leading to a 2.0% increase in retail profit from trading to £747.3m.

APBT (2) increased by 2.8% to £560.2m despite the non-recurrence of the £25.0m gain on disposal of the Misguided intellectual property in FY24, an £11.8m loss on disposal of Game Spain, and a £40.1m reduction in profit from trading in the Financial Services segment, due to our decision to wind down the Studio Pay receivables portfolio and focus on Frasers Plus, an approach which reduces revenue and increases impairment charges in the near-term. A net reversal of property related impairments of £9.6m has been recorded in the current period (FY24: £21.4m net impairment including impairments of intangible assets) as a result of our future forecasts outweighing our previous downside impairment assumptions.

Reported PBT of £379.4m, a decrease of 24.3%. The Group's trading performance has been offset by foreign exchange losses (vs. gains in FY24) and non-cash fair value movements on equity derivatives, primarily relating to the material decline in the HUGO BOSS share price. Both of these non-cash adjustments were exacerbated by the market reaction to proposed tariffs by the US government around the year-end date, impacts which, in the case of equity markets, have largely reversed since year-end.

Basic EPS of 67.5p, a decrease of 19.3p (22.2%) year-on-year. Adjusted EPS (2) of 98.1p, an increase of 2.3p (2.4%) reflecting the increase in APBT (2) partially offset by an increase in effective tax rate.

The Group's strategy is underpinned by a strong balance sheet with net assets increasing to £1,988.1m from £1,873.0m at FY24 due to the Group's profitability in FY25, partially offset by a decrease in the fair value of the Group's strategic investments recognised in other comprehensive income. Net assets per share increased to £4.41, a three-year CAGR of 18.0%.

Cash inflow from operating activities before working capital movements of £800.4m has enabled the Group to continue to invest in international sports and leisure, UK luxury retail, Frasers Plus, our property portfolio and our strategic partnerships such as HUGO BOSS and Accent Group.

## REVIEW BY BUSINESS SEGMENT

### UK SPORTS

This segment includes the results of the Group's core sports retail store operations in the UK, plus all the Group's sports retail online business, other UK-based sports retail and wholesale operations, GAME UK stores and online operations, retail store operations in Northern Ireland, Frasers Fitness, Studio Retail's sales and the Group's central operating functions (including the Shirebrook campus).

UK Sports accounts for 54.7% (FY24 restated <sup>(1)</sup>: 54.7%) of the Group's revenue.

	52 weeks ended 27 April 2025	52 weeks ended 28 April 2024 <sup>(1)</sup>
Revenue	£2,698.1m	£2,908.9m
Cost of sales	(£1,398.5m)	(£1,558.5m)
Gross profit	£1,299.6m	£1,350.4m
Gross margin %	48.2%	46.4%
<b>Profit from trading</b>	<b>£475.8m</b>	<b>£468.4m</b>
<b>Operating profit</b>	<b>£365.5m</b>	<b>£353.1m</b>
Store numbers	785	797

<sup>(1)</sup> Restated to reflect the classification of the results of Game Spain as a discontinued operation and the reclassification of delivery income and costs associated with free-issue gift vouchers from selling, distribution and administrative expenses to revenue. Please refer to note 1 of the financial information for further details

Revenue decreased by 7.2%. Continued sales growth from Sports Direct reflecting the ongoing success of the Elevation Strategy and strengthening brand relationships, was more than offset by planned declines in Game UK and Studio Retail.

Gross profit decreased by £50.8m as a result of the sales decline but gross margin % increased by +180 bps to 48.2% reflecting the fact that the higher margin Sports Direct business now makes up a greater proportion of this segment.

Operating costs reduced by £58.2m as the benefits of integrating and right-sizing the lower margin businesses were realised. This contributed to a £7.4m (1.6%) increase in the segment's profit from trading.

UK Sports' operating profit result of £365.5m (FY23: £353.1m) includes impairment reversals of £5.0m (FY24: impairment reversals of £8.4m), a result of the strong trading performance, and future forecasts outweighing our downside impairment assumptions, and realised foreign exchange gains of £19.8m (FY24: £9.2m).

Store numbers decreased from 797 to 785 mainly driven by the replacement of standalone Game stores with Game concessions situated inside larger Sports Direct stores and a reduction in standalone Evans Cycles' stores.

### PREMIUM LIFESTYLE

This segment includes the results of the Group's premium and luxury retail businesses FLANNELS, Cruise, Van Mildert, Jack Wills, House of Fraser & Frasers, Gieves and Hawkes, and Sofa.com along with the related websites, the businesses acquired from JD Sports, as well as the results from the I Saw it First website and the Missguided website until the disposal of the Missguided intellectual property in October 2023.

Premium Lifestyle accounts for 21.3% (FY24 restated <sup>(1)</sup>: 23.1%) of the Group's revenue.

	52 weeks ended 27 April 2025	52 weeks ended 28 April 2024 <sup>(1)</sup>
Revenue	£1,048.2m	£1,229.8m
Cost of sales	(£635.4m)	(£773.2m)
Gross profit	£412.8m	£456.6m
Gross margin %	39.4%	37.1%
<b>Profit from trading</b>	<b>£157.4m</b>	<b>£137.2m</b>

<b>Operating profit</b>	<b>£131.9m</b>	<b>£98.6m</b>
<b>Store numbers</b>	<b>156</b>	<b>181</b>

(1) Restated to reflect the classification of the results of Game Spain as a discontinued operation and the reclassification of delivery income and costs associated with free-issue gift vouchers from selling, distribution and administrative expenses to revenue. Please refer to note 1 of the financial information for further details

Revenue decreased by 14.8% as we continued to optimise our store portfolio in House of Fraser and in the businesses acquired from JD Sports, reducing the number of stores from 44 at 28 April 2024 to 29 at 27 April 2025.

Segment profit from trading increased by £20.2m as a £43.8m decrease in gross profit, driven by the revenue decline noted above, was more than offset by a 230bps increase in gross margin % from 37.1% to 39.4% (the result of an improving mix effect with FLANNELS increasing its share) and a £64.0m decrease in operating costs as the benefits of integrating and right-sizing the premium businesses was realised.

Premium Lifestyle's operating profit result of £131.9m (FY24: £98.6m) includes impairment reversals of £1.8m (FY24: impairments of £2.5m) reflecting early signs of improvement in the luxury market.

We continue to develop and invest in our unique luxury proposition, including the recent opening of FLANNELS in Leeds and FRASERS in Sheffield, and right-sizing the premium businesses such as House of Fraser and JD Sports acquisitions. Our long-term ambitions for the luxury business remain unchanged and we have taken this opportunity to consolidate in order to further strengthen our position.

Store numbers decreased from 181 to 156 as we continued to optimise our store portfolio in House of Fraser and in the businesses acquired from JD Sports.

## INTERNATIONAL

This segment includes the results all of the Group's sports retail stores, management and operating functions in Europe, Asia and the rest of the world, including the Group's European Distribution Centres in Belgium and Austria, Twinsport in the Netherlands, the Baltics & Asia e-commerce offerings, the MySale business in Australia, and all non-UK based wholesale and licensing activities (relating to brands such as Everlast and Slazenger).

International accounts for 20.5% (FY24 restated <sup>(1)</sup>: 18.7%) of the Group's revenue.

	<b>52 weeks ended 27 April 2025</b>	<b>52 weeks ended 28 April 2024 <sup>(1)</sup></b>
Revenue	£1,007.4m	£994.6m
Cost of sales	(£553.6m)	(£547.7m)
Gross profit	£453.8m	£446.9m
Gross margin %	45.0%	44.9%
<b>Profit from trading</b>	<b>£114.1m</b>	<b>£127.2m</b>
<b>Operating profit</b>	<b>£38.1m</b>	<b>£38.1m</b>
<b>Store numbers</b>	<b>373</b>	<b>350*</b>

(1) Restated to reflect the classification of the results of Game Spain as a discontinued operation and the reclassification of delivery income and costs associated with free-issue gift vouchers from selling, distribution and administrative expenses to revenue. Please refer to note 1 of the financial information for further details

\*FY24 store numbers restated to remove Game Spain.

Revenue increased by 1.3% due to growth from the Sports Direct International business and the acquisition of Twinsport, partially offset by Sportmaster, which was integrated in FY24.

Segment profit from trading decreased by £13.1m year-on-year. Gross profit increased by £6.9m as a result of the revenue growth noted above, whilst overhead costs increased by £20.0m due to inflationary pressures and acquisition related costs.

International's operating profit result of £38.1m (FY24<sup>(1)</sup>: £38.1m) includes impairments of £1.8m (FY24: impairments of £12.5m) and realised foreign exchange losses of £4.9m (FY24: gains of £0.3m).

Working with our global brand partners, FY25 was a breakthrough year for our international growth ambitions for Sports Direct, both deploying our consistently strong cash flow and signing capital-light partnerships. We extended our partnership with MAP Active and now plan 350 new stores, further into Indonesia plus five new countries: India, the Philippines, Thailand, Vietnam, and Cambodia. In Australia/New Zealand, we increased our investment in Accent Group to 14.57% (and to 19.57% after year-end) and announced a long-term strategic partnership which includes plans for at least 50 Sports Direct stores in the first six years and a long-term objective of 100. We also signed a

new partnership with GMG, targeting 50 new Sports Direct stores in the Gulf/Egypt over the next five years. In Africa, we announced the acquisition of Holdsport in South Africa/Namibia (completed after year end), and acquired a significant shareholding in Hudson, providing expansion opportunities into Africa/Malta. In addition, we completed the acquisitions of Twinsport in the Netherlands and, after year end, XXL in Scandinavia.

Store numbers increased from 350 to 373 due to the acquisition of Twinsport and continued growth in Sports Direct Malaysia.

## PROPERTY

This segment includes the results from the Group's freehold property owning and long leasehold holding property companies that generate third party rental and other property related income (e.g., car parking, conference and events income). The results of the Coventry Arena are reported in this segment. The depreciation of freehold and long leasehold owner-occupied properties is also reported in this segment.

Property accounts for 1.8% (FY24 restated <sup>(1)</sup>: 1.4%) of the Group's revenue.

	52 weeks ended 27 April 2025	52 weeks ended 28 April 2024
Revenue	£86.6m	£72.7m
Cost of sales	(£9.6m)	(£7.8m)
Gross profit	£77.0m	£64.9m
Gross margin %	88.9%	89.3%
<b>Profit from trading</b>	<b>£44.1m</b>	<b>£39.1m</b>
<b>Operating profit/(loss)</b>	<b>£4.5m</b>	<b>(£31.3m)</b>

(1) Restated to reflect the classification of the results of Game Spain as a discontinued operation and the reclassification of delivery income and costs associated with free-issue gift vouchers from selling, distribution and administrative expenses to revenue. Please refer to note 1 of the financial information for further details

Revenue increased by £13.9m (19.1%), due to the annualisation of prior year acquisitions such as the Castleford shopping centre and acquisitions in FY25 including Doncaster's Frenchgate, Exeter's Princesshay, Maidstone's Fremlin Walk, and Affinity outlets.

Segment profit from trading increased by £5.0m, with the additional rental income being partially offset by an £5.8m increase in operating costs (including purchase related costs).

Property's operating profit of £4.5m (FY24: loss of £31.3m) includes a net impairment reversal of £4.6m (FY24: impairments of £14.8m), fair value gains on investment property £13.1m (FY24: fair value gain of £11.5m) and depreciation of £44.2m (FY24: £60.2m).

Property investment remains a key focus for the Group, unlocking occupational demand for our retail business whilst delivering strong returns that can be recycled at the appropriate time.

## FINANCIAL SERVICES

This segment includes the results of Frasers Group Financial Services. This includes interest charged on amounts advanced to consumer credit customers, along with the associated impairment and operating costs.

Financial Services accounts for 1.7% (FY24 restated <sup>(1)</sup>: 2.1%) of the Group's revenue.

	52 weeks ended 27 April 2025	52 weeks ended 28 April 2024
Revenue	£85.3m	£111.0m
Impairment losses on credit receivables	(£22.1m)	(£20.6m)
Gross profit	£63.2m	£90.4m
Gross margin %	74.1%	81.4%
<b>Profit from trading</b>	<b>£17.5m</b>	<b>£57.6m</b>
<b>Operating profit</b>	<b>£17.0m</b>	<b>£56.1m</b>

(1) Restated to reflect the classification of the results of Game Spain as a discontinued operation and the reclassification of delivery income and costs associated with free-issue gift vouchers from selling, distribution and administrative expenses to revenue. Please refer to note 1 of the financial information for further details

We see a great opportunity for Frasers Plus as a new revenue stream and a key pillar of our compelling brand ecosystem.

Frasers Plus continues to make good progress towards our long-term ambition of delivering £1bn+ in sales, £600m in credit balances, a greater than 15% yield, and over 2 million active Frasers Plus customers (excluding any third-party partnerships). The business added 507k new customers in FY25 and Frasers Plus accounted for 12.2% of UK online sales. Post year-end, the active customer base has passed one million and penetration has increased to 18.9%.

We continue to prioritise the growth of our new Frasers Plus credit offering and reduce the Studio Pay receivables book, which is closed to new customers, and as a result, revenue decreased by £25.7m (23.2%) vs. FY24.

Segment profit from trading decreased by £40.1m due to the revenue decline noted above and an increase in overhead costs arising from the dual running of Frasers Plus and Studio Pay. FY24 also benefited from an £11.8m gain in respect of exiting a legacy property lease.

## DISCONTINUED OPERATIONS

	52 weeks ended 27 April 2025	52 weeks ended 28 April 2024 <sup>(1)</sup>
Profit/(loss) from discontinued operation (net of tax)	£6.3m	(£6.5m)

(1) Restated to reflect the classification of the results of Game Spain as a discontinued operation and the reclassification of delivery income and costs associated with free-issue gift vouchers from selling, distribution and administrative expenses to revenue. Please refer to note 1 of the financial information for further details

In the current period, the result from discontinued operations relates to amounts received from the Matches administration in excess of those assumed at FY24 year-end (a gain of £13.2m), Game Spain's trading profit for the period prior to its disposal on 20 March 2025 (£4.9m) and a loss on disposal of Game Spain of £11.8m.

The prior period result from discontinued operations reflects a trading loss of £8.4m for the period during which Matches was a subsidiary of the Group and £4.1m loss on disposal, reflecting the difference between the carrying value of the net assets at the point the Group ceased to control Matches and the recoveries expected from the administration. The prior period result also includes a trading profit of £6.0m in respect of Game Spain.

## FINANCIAL REVIEW

The consolidated financial statements for the 52 weeks ended 27 April 2025 are presented in accordance with UK-adopted International Accounting Standards (UK IAS).

## SUMMARY OF RESULTS

	52 weeks ended 27 April 2025	52 weeks ended 28 April 2024 <sup>(1)</sup>
Revenue	£4,925.6m	£5,317.0m
Reported profit before tax	£379.4m	£501.0m
Adjusted PBT <sup>(2)</sup>	£560.2m	£544.8m
Reported basic EPS	67.5p	86.8p
Adjusted EPS <sup>(2)</sup>	98.1p	95.8p

(1) Restated to reflect the classification of the results of Game Spain as a discontinued operation and the reclassification of delivery income and costs associated with free-issue gift vouchers from selling, distribution and administrative expenses to revenue. Please refer to note 1 of the financial information for further details.

(2) This is an Alternative Performance Measure, for which the reconciliation to the equivalent GAAP measure is set out in note 3 to the financial information. Adjusted EPS is discussed in note 9 to the financial information.

## EARNINGS

Basic earnings per share (EPS) is calculated by dividing the earnings attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the financial period. Shares held in Treasury and the Employee Benefit Trust are excluded from this figure.

	52 weeks ended 27 April 2025	52 weeks ended 28 April 2024
Reported EPS (Basic)	67.5p	86.8p
Adjusted EPS (Basic) <sup>(1)</sup>	98.1p	95.8p
Weighted average number of shares (actual)	432,929,122	438,504,703

(1) This is an Alternative Performance Measure. Adjusted EPS is discussed in note 9 to the financial information.

Basic EPS of 67.5p, a decrease of 19.3p (22.2%) year-on-year. Adjusted EPS <sup>(1)</sup> of 98.1p, an increase of 2.3p (2.4%) reflecting the increase in APBT <sup>(1)</sup> partially offset by an increase in effective tax rate.

## TAXATION

The effective tax rate on profit before tax (including discontinued operations) in FY25 was 24.0% (FY24: 21.8%). The year-on-year increase is primarily due to the prior year benefiting from the recognition of deferred tax assets in respect of brought forward trading losses in a number of subsidiary entities.

### Total tax contribution

The Group has contributed approximately £530m (FY24: £500m) in taxes paid and collected during the year. Taxes paid by the Group of approximately £240m (FY24: £220m) are primarily business rates, corporation tax and employer's national insurance contributions. Taxes collected by the Group of approximately £290m (FY24: £280m) are primarily net VAT, PAYE and employee's national insurance contributions.

The Group's Tax Strategy is published at: <https://frasers-cms.netlify.app/assets/files/financials/fy25-tax-strategy.pdf>

### Taxes paid by country

The Group generates 88.4% (FY24: 92.6%) of its profits in companies that are resident in the UK and pays 83.2% (FY24: 88.3%) of its corporation tax liabilities to HMRC in the UK.

On 11 July 2023, rules were enacted to ensure large multi-national groups pay a minimum level of corporation tax in respect of all countries where they operate (known as "Pillar 2"). These came effect for the Group from 1 May 2024. Based on the Group's current business and tax profile, the implementation of Pillar 2 legislation will not have a material impact on the Group's tax rate or tax payments. The estimated additional potential cost based on under the known Pillar 2 principles is approximately £0.5m.

The Group has applied the temporary exemption under IAS 12 to recognising and disclosing information about deferred tax assets and liabilities related to top-up taxes.

### Plastic Packaging Taxes

During FY25 the Group has paid approximately £0.1m (FY24: £0.1m) in respect of the UK Plastic Packaging Tax.

## FOREIGN EXCHANGE AND TREASURY

The Group reports its results in GBP but trades internationally and is therefore exposed to currency fluctuations on currency cash flows in various ways. These include purchasing inventory from overseas suppliers, making sales in currencies other than GBP and holding overseas assets in other currencies. The Board mitigates the cash flow risks associated with these fluctuations with the careful use of currency hedging using forward contracts and other derivative financial instruments.

The Group uses forward contracts that qualify for hedge accounting in two main ways – to hedge highly probable EUR sales income and USD inventory purchases. This introduces a level of certainty into the Group’s planning and forecasting process. Management has reviewed detailed forecasts and the growth assumptions within them and is satisfied that the forecasts meet the criteria for being highly probable forecast transactions.

At 27 April 2025, the Group had the following forward contracts and bought options that qualified for hedge accounting under IFRS 9 *Financial Instruments* (“IFRS 9”), meaning that fluctuations in the value of the contracts before maturity are recognised in the hedging reserve through other comprehensive income. After maturity, the sales and purchases are then valued at the hedge rate.

Currency	Hedging against	Currency value	Timing	Rates
USD / GBP	USD Inventory Purchases	USD 560m	FY26 - FY27	1.26 - 1.36
EUR / GBP	Euro sales	EUR 240m	FY28	0.95 - 0.98

The Group also uses currency options, swaps and spots for more flexibility against cash flows that are less than highly probable and therefore do not qualify for hedge accounting under IFRS 9. The fair value movements before maturity are recognised in the income statement.

The Group has the following currency options and unhedged forwards:

Currency	Expected use	Currency value	Timing	Rates
USD / GBP	USD inventory purchases	Up to USD 967m	FY25 - FY29	1.29 - 1.43
USD / GBP	USD sales	Up to USD 60m	FY25 - FY26	1.24
EUR / GBP	Euro sales	Up to EUR 720m	FY25 - FY27	1.14
EUR / GBP	Euro costs	Up to EUR 720m	FY25 - FY27	1.27 - 1.41
AUD / GBP	AUD income	Up to AUD 240m	FY26	2.01
ZAR / GBP	ZAR costs	Up to ZAR 2,000m	FY26	23.5

The Group also holds short-term swaps for treasury management purposes:

Currency	Expected use	Currency value	Timing	Rates
EUR / GBP	Cash flow management	EUR 500m	FY26	1.15 - 1.18
AUD / GBP	Cash flow management	AUD 35m	FY26	2.08

The Group is proactive in managing its currency requirements. The treasury team works closely with senior management to understand the Group’s plans and forecasts, they also discuss and understand appropriate financial products with various financial institutions, including those within the Group’s bank financed facility. This information is then used to implement suitable currency products to align with the Group’s strategy.

Regular reviews of the hedging performance are performed by the treasury team alongside senior management to ensure the continued appropriateness of the currency hedging in place, and where suitable, either implementing additional strategies and/or restructuring existing approaches in conjunction with our financial institution partners.

Given the potential impact of commodity prices on raw material costs, the Group may hedge certain input costs, including cotton, crude oil and electricity.

## DIVIDENDS & SHARE BUYBACKS

The Board has decided not to pay a final dividend in relation to FY25 (FY24: £nil). The Board remains of the opinion that it is in the best interests of the Group and its shareholders to preserve financial flexibility and facilitate future investments and other growth opportunities. The payment of dividends remains under review.

## CAPITAL EXPENDITURE

During the period, gross capital expenditure (excluding IFRS 16) amounted to £411.7m (FY24: £267.2m). This included £168.0m (FY24: £99.2m) in respect of investment properties including shopping centres and retail park acquisitions at Doncaster's Frenchgate, Exeter's Princesshay, Maidstone's Fremlin Walk, and Affinity outlets.

## STRATEGIC INVESTMENTS

The Group continues to hold various strategic investments as detailed in note 14 to the financial information. At each reporting date, management prepares an assessment of whether or not the Group has significant influence over investee entities based on the indicators specified in paragraph 6 of IAS 28 *Investments in Associates and Joint Ventures* ("IAS 28"). Details of this assessment can be found in note 2 to the financial information. Where the Group has significant influence, the Group accounts for its investment as an Associate. For investments where the Group does not hold significant influence, the Group makes the irrevocable election permitted by IFRS 9 *Financial Instruments* to recognise fair value movements on long term financial assets (i.e., strategic investments) at fair value through other comprehensive income (FVOCI) given these are not held for trading purposes. The election is made on an instrument-by-instrument basis; only qualifying dividend income is recognised in the income statement, changes in fair value are recognised within OCI and never reclassified to profit and loss, even if the asset is impaired, sold or otherwise derecognised.

In addition to the above, the Group also holds indirect strategic investments within contracts for difference and options. The Group assesses the use of sold put options in acquiring a strategic investment on a case-by-case basis. Where an option market exists, the use of sold put options allows the Group to build an indirect holding, whilst limiting and/or spreading the associated cash outflows over time by using options with differing maturity dates. The Group typically receives a premium for entering into sold put options, which reduces the net price paid for the shares in the event that the options exercise. This makes the use of sold put options an effective method of potentially obtaining shares at a price that the Group considers represents a reasonable value.

The fair values of options are recognised in derivative financial assets or liabilities in the consolidated balance sheet, with the movement in fair value recorded in the income statement. In respect of put and call options, there are three distinct elements to fair value changes recorded within investment income and expense:

- 1) Premiums received (disclosed within investment income) - these are cash receipts and represent a realised profit for the Group irrespective of whether the option exercises or not. Premiums are recognised on expiry of the option to which they relate.
- 2) Fair value movements (disclosed within investment income or costs) – these are unrealised gains and losses arising due to the remeasurement of the derivative liabilities to fair value whilst the options are open.
- 3) Losses on disposal (disclosed within investment income) – these represent realised losses being the difference between the market value of the shares purchased upon the exercise of options and the cash consideration paid to the relevant counterparty.

The Group disaggregates these three elements (which are all presented within investment income and expense within the consolidated income statement) in order to provide useful information to the users of the financial statements. Both the premiums received and losses on disposal relate to options that have expired. Our presentation enables the users of the financial statements to ascertain the premium income that has been received in exchange for the Group selling the right to a counterparty to sell shares to the Group at a set price. The loss on disposal shows the users of the financial statements the loss that has arisen as a result of purchasing shares at a premium to market value. It is the Group's view that each of these line items is sufficiently material to warrant disclosure of their nature and amount separately as required by paragraph 97 IAS 1 *Presentation of Financial Statements* ("IAS 1"). The net fair value loss on equity derivatives in the current period was £36.1m (FY24: net fair value gain of £7.2m).

The Frasers Group's strategic investment strategy is a key enabler in the growth and success of the Group and is in the ordinary course of business.

## ACQUISITIONS

The Group acquired a number of businesses during the period.

## RELATED PARTIES

## Relationship Between Frasers Group plc and Mike Ashley

Mike Ashley opened his first sports shop in 1982 and built the Frasers Group into a multi-billion-pound retailer over the next forty years. The Group was initially floated on the London Stock Exchange in 2007 and following continued growth Mike stepped down as CEO in 2022. He also stepped down from the Board of Directors later in 2022 and has no day-to-day involvement or responsibility for the strategic direction of the Group or any Board matters.

However, given his extensive involvement in leading the business for over forty years, the Board has an agreement with Mr Ashley, through his own company MASH Holdings Limited, which provides for management to seek his expertise in discrete areas where he has specific knowledge, for example in warehousing, logistics or strategic relationships with the supply chain. He does not receive any remuneration for providing this advice to management and has no decision-making powers.

## CASH FLOW AND NET DEBT

Net debt increased by £493.4m from £447.6m at 28 April 2024 to £941.0m at 27 April 2025, reflecting capital expenditure and strategic investments in FY25, particularly Accent Group and Hugo Boss. Net debt includes £93.5m of borrowings relating to the Frasers Group Financial Services Limited securitisation facility (28 April 2024: £126.8m).

Net interest on bank loans and overdrafts increased to £81.0m (FY24: £51.4m) largely due to increased usage of the Revolving Credit Facility ("RCF") in the period.

### Analysis of net debt:

	27April2025	28April2024
Cash and cash equivalents	£252.2m	£358.6m
Borrowings	(£1,193.2m)	(£806.2m)
Net debt	(£941.0m)	(£447.6m)
Securitisation (disclosed within borrowings)	(£93.5m)	(£126.8m)
Net debt excluding securitisation	(£847.5m)	(£320.8m)

The Group recently completed the successful refinancing of its combined term loan and RCF and now has access to total committed facilities of £3 billion for a period of at least three years. The facility has two one-year extension options.

The Group also extended the maturity of the Frasers Group Financial Services Limited securitisation facility during FY25. The Group is able to make drawings of up to £130m against eligible consumer credit receivables until December 2026.

The Group continues to operate comfortably within its banking facilities and covenants and the Board remains comfortable with the Group's available headroom.

## SUMMARY OF CASH FLOW

	52 weeks ended 27 April 2025	52 weeks ended 28 April 2024
<b>Operating cash inflow before changes in working capital</b>	<b>£800.4m</b>	<b>£834.6m</b>
Decrease/(increase) in receivables	£131.5m	(£47.4m)
Decrease in inventories	£203.4m	£114.1m
Decrease in payables	(£18.4m)	(£42.6m)
Decrease in provisions	(£33.2m)	(£47.5m)
<b>Cash inflows from operating activities</b>	<b>£1,083.7m</b>	<b>£811.2m</b>
Income taxes paid	(£140.3m)	(£129.0m)
<b>Net cash inflows from operating activities</b>	<b>£943.4m</b>	<b>£682.2m</b>
Lease payments	(£142.0m)	(£162.8m)
Net finance costs paid	(£66.0m)	(£35.6m)
Net capital expenditure (including sale & leasebacks)	(£386.4m)	(£211.3m)
Net proceeds from acquisition and disposal of subsidiary undertakings and associated undertakings	(£48.9m)	(£35.9m)
Net cashflows in relation to equity derivatives	(£105.0m)	£109.1m

Purchase of listed investments, net of disposal proceeds	(£694.0m)	(£249.3m)
Purchase of own shares	-	(£126.4m)
Other	£5.5m	(£0.8m)
<b>Movement in net debt</b>	<b>(£493.4m)</b>	<b>(£30.8m)</b>

## SUMMARY OF CONSOLIDATED BALANCE SHEET

	27 April 2025	28 April 2024
Property, plant & equipment	£1,097.2m	£962.6m
Investment properties	£513.3m	£350.5m
Long-term financial assets	£959.1m	£495.4m
Intangible assets	£58.5m	£42.2m
Inventories	£1,128.3m	£1,355.3m
Trade & other receivables	£927.8m	£674.9m
Trade & other payables	(£663.8m)	(£683.9m)
Provisions	(£223.6m)	(£259.0m)
Net debt (excluding securitisation borrowings)	(£847.5m)	(£320.8m)
Securitisation borrowings	(£93.5m)	(£126.8m)
Lease liabilities	(£667.8m)	(£646.3m)
Other	(£199.9m)	£28.9m
<b>Net assets</b>	<b>£1,988.1m</b>	<b>£1,873.0m</b>

The increase within property, plant and equipment from 28 April 2024 is largely due to net additions partially offset by depreciation.

The increase to investment property since 28 April 2024 reflects additions totalling approximately £172.6m at sites including Doncaster's Frenchgate, Exeter's Princesshay, Maidstone's Fremlin Walk, and Affinity outlets, fair value movements totalling £13.1m and the transfer of a number of properties to property plant and equipment following a change in use during FY25.

Long-term financial assets have increased since 28 April 2024 due to the business making significant investments in Hugo Boss and Accent Group in FY25. The increase has been partially offset by £149.6m of fair value losses on existing holdings (recognised through OCI).

The increase to intangible assets since 28 April 2024 reflects the recognition of approximately £20.5m of goodwill in respect of the acquisition of Twinsport in FY25, offset by amortisation charged in respect of other intangible assets.

Gross inventory has reduced by £272.2m (17.6%) year-on-year. This reflects an increased level of warehouse efficiency, driven by automation and rationalisation of our warehouse estate, as well as the disposal of Game Spain. Excluding the impact of the disposal of Game Spain, gross inventory has reduced by £224.7m (15.0%).

Trade and other receivables includes £522.7m relating to deposits in respect of derivative financial instruments (28 April 2024: £139.0m) and the Frasers Group Financial Services consumer credit receivables portfolio with a carrying value of £181.7m (28 April 2024: £206.2m). Deposits in respect of derivative financial instruments are collateral to cover margin requirements for derivative transactions held with counterparties. The collateral requirement changes with the market (which is dependent on share price and volatility), the financial institutions' assessment of the Group's creditworthiness and further purchases / sales of underlying investments held. The balance has increased from £139.0m at 28 April 2024 to £522.7m at 27 April as a result of a combination of the factors above and an increase in the Group's open option positions at 27 April 2025.

Trade and other payables are broadly flat year-on-year.

Provisions have reduced by £35.4m from £259.0m to £223.6m reflecting the utilisation and partial release of property and legal and regulatory provisions.

Included within other, the closing corporation tax creditor at 27 April 2025 is £52.0m (FY24: £94.4m) and net deferred tax assets of £97.5m (FY24: £82.1m) have been recognised.

Chris Wootton  
Chief Financial Officer



## KEY PERFORMANCE INDICATORS

The Board manages the Group's performance by reviewing a number of key performance indicators (KPIs). The table below summarises the Group's KPIs.

	52 weeks ended 27 April 2025	52 weeks ended 28 April 2024 (1)
Group revenue	£4,925.6m	£5,317.0m
Reported PBT	£379.4m	£501.0m
Adjusted PBT (2)	£560.2m	£544.8m
Cash inflow from operating activities before changes in working capital	£800.4m	£834.6m
Net assets	£1,988.1m	£1,873.0m
<b>NON-FINANCIAL KPIs</b>		
Number of retail stores	1,314	1,328*
Workforce turnover	25.0%	31.0%
Electricity consumption on like for like stores improvement vs FY20	29.1%	24.8%

(1) Restated to reflect the classification of the results of Game Spain as a discontinued operation and the reclassification of delivery income and costs associated with free-issue gift vouchers from selling, distribution and administrative expenses to revenue. Please refer to note 1 of the financial information for further details.

(2) This is an Alternative Performance Measure, for which the reconciliation to the equivalent GAAP measure is set out in note 3 to the financial information.

The Directors have adopted Alternative Performance Measures (APMs). APMs should be considered in addition to UK-Adopted International Accounting Standards ("UK IAS") measures. The Directors believe that Adjusted profit before tax ("APBT") provides further useful information for shareholders on the underlying performance of the Group in addition to the reported numbers, and is consistent with how business performance is measured internally. They are not recognised profit measures under UK IAS and may not be directly comparable with 'adjusted' or 'alternative' profit measures used by other companies.

APBT is profit before tax excluding the effects of exceptional items, realised foreign exchange, fair value adjustments to derivative financial instruments included within finance income/costs, fair value gains/losses and profit on disposal of equity derivatives, and share schemes. For the avoidance of doubt, premiums received in respect of options that have matured are included within APBT. This measure has been reviewed by the Audit Committee which has appropriately challenged management on the presentation and the adjusting items included in this APM.

### Group Revenue

The Board considers that this measurement is a key indicator of the Group's growth.

### Reported Profit Before Tax

Reported PBT shows both the Group's trading and operational efficiency, as well as the effects on the Group of external factors as shown in the fair value movements in strategic investments and FX.

### Adjusted Profit Before Tax

APBT shows how well the Group is managing its ongoing trading performance and controllable costs and therefore the overall performance of the Group.

### Cash Inflow from Operating Activities Before Changes in Working Capital

Cash inflow from operating activities before working capital is considered an important indicator for the Group of the cash generated and available for investment in the Elevation strategy.

### Net Assets

The Board considers that this measurement is a key indicator of the Group's financial position and health.

### Number of Retail Stores

The Board considers that this measure is an indicator of the Group's growth. The Group's Elevation strategy is replacing older stores and often this can result in the closure of two or three stores, to be replaced by one larger new generation store. \*The prior year figure has been restated to exclude Game Spain stores in order to allow a like-for-like comparison.

### Workforce Turnover

The Board considers that this measure is a key indicator of the contentment of our people. For more details refer to the retention section of the 'Our People' section of this report.

**Like for Like electricity consumption**

This measure links to our targets in the TCFD report around the installation of LED lighting, building management services, and voltage optimisation. This measure allows the board to determine the effectiveness of these projects in reducing the Group's energy consumption.

Like for like stores includes stores in Great Britain, above a de minimis consumption, and that were open from 2019 onwards.

**FINANCIAL INFORMATION**  
**CONSOLIDATED INCOME STATEMENT**

For the 52 weeks ended 27 April 2025

	Note	Total 52 weeks ended 27 April 2025 (£'m)	Total 52 weeks ended 28 April 2024 (restated) <sup>(1)</sup> (£'m)
<b>CONTINUING OPERATIONS</b>			
Revenue		4,840.3	5,206.0
Credit account interest		85.3	111.0
<b>Total revenue (including credit account interest)</b>	<b>3</b>	<b>4,925.6</b>	<b>5,317.0</b>
Cost of sales		(2,597.1)	(2,887.2)
Impairment losses on credit customer receivables	15	(22.1)	(20.6)
<b>Gross profit</b>	<b>3</b>	<b>2,306.4</b>	<b>2,409.2</b>
Selling, distribution and administrative expenses		(1,788.3)	(1,906.0)
Other operating income		15.6	10.9
Property related impairment reversals/(impairments)	11	9.6	(14.5)
Profit on sale of properties		0.6	3.5
Fair value adjustments to investment properties	12	13.1	11.5
<b>Operating profit</b>	<b>3</b>	<b>557.0</b>	<b>514.6</b>
Profit on sale of subsidiaries	10	4.3	25.0
Investment income	4	111.3	78.4
Investment costs	5	(141.6)	(68.9)
Finance income	6	29.2	43.4
Finance costs	7	(182.8)	(91.5)
Share of profit of associated undertakings		2.0	-
<b>Profit before taxation</b>	<b>3</b>	<b>379.4</b>	<b>501.0</b>
Taxation	8	(92.7)	(107.9)
<b>Profit after taxation from continuing operations</b>		<b>286.7</b>	<b>393.1</b>
<b>DISCONTINUED OPERATIONS</b>			
Profit/(loss) from discontinued operation, net of tax*	10	6.3	(6.5)
<b>Profit for the period</b>		<b>293.0</b>	<b>386.6</b>
<b>ATTRIBUTABLE TO:</b>			
Equity holders of the Group		292.1	380.8
Non-controlling interests		0.9	5.8
<b>Profit for the period</b>		<b>293.0</b>	<b>386.6</b>
		<b>Pence per share</b>	<b>Pence per share</b>
Basic earnings per share – Continuing operations	9	66.0	88.3
Basic earnings per share – Discontinued operations	9	1.5	(1.5)
Basic earnings per share – Total	9	<b>67.5</b>	<b>86.8</b>
Diluted earnings per share – Continuing operations	9	66.0	88.3
Diluted earnings per share – Discontinued operations	9	1.5	(1.5)
Diluted earnings per share - Total	9	<b>67.5</b>	<b>86.8</b>

(1) Restated to reflect the classification of the results of Game Spain as a discontinued operation and the reclassification of delivery income and costs associated with free-issue gift vouchers from selling, distribution and administrative expenses to revenue. Please refer to note 1 for further information.

\*The result from discontinued operations was wholly attributable to the equity holders of the Group.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the 52 weeks ended 27 April 2025

	52 weeks ended 27 April 2025 (£'m)	52 weeks ended 28 April 2024 (£'m)
<b>Profit for the period</b>	<b>293.0</b>	<b>386.6</b>
<b>OTHER COMPREHENSIVE (LOSS)/INCOME</b>		
<b>ITEMS THAT WILL NOT BE RECLASSIFIED SUBSEQUENTLY TO PROFIT OR LOSS</b>		
Fair value movement on long-term financial assets	(149.6)	(43.7)
Remeasurements of defined benefit pension scheme	0.2	0.4
Fair value adjustment in respect of properties transferred to investment property	-	1.2
<b>ITEMS THAT MAY BE RECLASSIFIED SUBSEQUENTLY TO PROFIT OR LOSS</b>		
Exchange differences on translation of foreign operations	(0.6)	(21.7)
Foreign exchange impact of disposal of discontinued operations	(3.0)	-
Fair value movement on hedged contracts - recognised in the period	(9.0)	25.5
Fair value movement on hedged contracts – recognised time value of options	-	(0.7)
Fair value movement on hedged contracts - reclassified and reported in sales	(12.3)	(6.1)
Fair value movement on hedged contracts - reclassified and reported in inventory/cost of sales	2.5	(8.1)
Fair value movement on hedged contracts - taxation taken to reserves	4.6	(2.9)
<b>OTHER COMPREHENSIVE LOSS FOR THE PERIOD, NET OF TAX</b>	<b>(167.2)</b>	<b>(56.1)</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	<b>125.8</b>	<b>330.5</b>
Continuing operations	119.5	337.0
Discontinued operations	6.3	(6.5)
	<b>125.8</b>	<b>330.5</b>
<b>ATTRIBUTABLE TO:</b>		
Equity holders of the Group	124.9	324.7
Non-controlling interest	0.9	5.8
	<b>125.8</b>	<b>330.5</b>

	Note	27 April 2025 (£'m)	28 April 2024 (£'m)
<b>ASSETS - NON CURRENT</b>			
Property, plant and equipment	11	1,097.2	962.6
Investment properties	12	513.3	350.5
Intangible assets	13	58.5	42.2
Long-term financial assets	14	959.1	495.4
Investment in associated undertakings		36.4	18.0
Retirement benefit surplus		0.1	0.6
Deferred tax assets		110.5	109.6
		<b>2,775.1</b>	<b>1,978.9</b>
<b>ASSETS - CURRENT</b>			
Inventories		1,128.3	1,355.3
Trade and other receivables	15	927.8	674.9
Derivative financial assets		47.3	87.2
Cash and cash equivalents		252.2	358.6
		<b>2,355.6</b>	<b>2,476.0</b>
<b>TOTAL ASSETS</b>		<b>5,130.7</b>	<b>4,454.9</b>
<b>LIABILITIES - NON CURRENT</b>			
Lease liabilities		(558.2)	(533.8)
Borrowings	16	(1,118.2)	(806.2)
Retirement benefit obligations		(1.9)	(1.8)
Deferred tax liabilities		(13.0)	(27.5)
Provisions	17	(214.5)	(247.8)
		<b>(1,905.8)</b>	<b>(1,617.1)</b>
<b>LIABILITIES - CURRENT</b>			
Borrowings	16	(75.0)	-
Derivative financial liabilities		(327.3)	(62.8)
Trade and other payables		(663.8)	(683.9)
Lease liabilities		(109.6)	(112.5)
Provisions	17	(9.1)	(11.2)
Current tax liabilities		(52.0)	(94.4)
		<b>(1,236.8)</b>	<b>(964.8)</b>
<b>TOTAL LIABILITIES</b>		<b>(3,142.6)</b>	<b>(2,581.9)</b>
<b>NET ASSETS</b>		<b>1,988.1</b>	<b>1,873.0</b>
<b>EQUITY</b>			
Share capital		64.1	64.1
Share premium		874.3	874.3
Treasury shares reserve		(770.6)	(770.6)
Permanent contribution to capital		0.1	0.1
Capital redemption reserve		8.0	8.0
Foreign currency translation reserve		22.1	25.7
Reverse combination reserve		(987.3)	(987.3)
Own share reserve		(66.8)	(66.8)
Hedging reserve		7.5	21.7
Share based payment reserve		60.1	51.4
Revaluation reserve		1.2	1.2
Retained earnings		2,747.4	2,623.0
<b>Issued capital and reserves attributable to owners of the parent</b>		<b>1,960.1</b>	<b>1,844.8</b>
Non-controlling interests		28.0	28.2
<b>TOTAL EQUITY</b>		<b>1,988.1</b>	<b>1,873.0</b>

The Group's Financial Statements were approved by the Board and authorised for issue on 16 July 2025 and were signed on its behalf by:

Chris Wootton

Chief Financial Officer

## CONSOLIDATED CASH FLOW STATEMENT

For the 52 weeks ended 27 April 2025

	52 weeks ended 27 April 2025 (£'m)	52 weeks ended 28 April 2024 (restated) <sup>(1)</sup> (£'m)
<b>Profit before income tax from:</b>		
Continuing operations	379.4	501.0
Discontinued operations	6.3	(6.5)
<b>Profit before taxation including discontinued operations</b>	<b>385.7</b>	<b>494.5</b>
Net finance costs	153.6	49.6
Net investment costs / (income)	30.3	(9.5)
Profit on disposal of subsidiaries	(4.3)	(20.9)
Depreciation of property, plant and equipment	271.9	282.8
Amortisation of intangible assets	3.5	1.8
Net (reversal)/impairment of tangible and intangible assets and investment properties	(9.6)	21.4
(Gain)/loss on modification/remeasurement of lease liabilities	(9.7)	6.6
Profit on sale of properties	(0.6)	(3.5)
Fair value adjustments in respect of investment property	(13.1)	(11.5)
Share of profit of associated undertakings	(2.0)	-
Gain on bargain purchase	(6.8)	(0.7)
Employee bonus scheme charge	0.8	23.4
Pension scheme expenses	0.7	0.6
<b>Operating cash inflow before changes in working capital</b>	<b>800.4</b>	<b>834.6</b>
Decrease/(increase) in receivables	131.5	(47.4)
Decrease in inventories	203.4	114.1
Decrease in payables	(18.4)	(42.6)
Decrease in provisions	(33.2)	(47.5)
<b>Cash inflows from operating activities</b>	<b>1,083.7</b>	<b>811.2</b>
Income taxes paid	(140.3)	(129.0)
<b>Net cash inflows from operating activities</b>	<b>943.4</b>	<b>682.2</b>
Proceeds on disposal of property, plant and equipment and investment property	25.3	55.9
Proceeds on disposal of listed investments	126.9	133.3
Proceeds in relation to equity derivatives	278.7	58.0
Disposal of subsidiary undertakings	15.7	25.0
Purchase of subsidiaries, net of cash acquired <sup>(3)</sup>	(47.4)	(60.9)
Purchase of property, plant and equipment, intangible assets and investment property	(411.7)	(267.2)
Purchase of listed investments	(820.9)	(382.6)
Purchase of associated undertakings	(17.2)	-
Increase in deposits relating to equity derivatives <sup>(2)</sup>	(1,587.4)	(742.3)
Decrease in deposits relating to equity derivatives <sup>(2)</sup>	1,203.7	793.4
Investment income received	5.7	2.3
Finance income received	17.1	29.3
<b>Net cash outflows from investing activities</b>	<b>(1,211.5)</b>	<b>(355.8)</b>
Lease payments	(142.0)	(162.8)
Finance costs paid	(83.1)	(64.9)
Borrowings drawn down	1,479.5	482.1
Borrowings repaid	(1,092.5)	(425.6)
Purchase of own shares	-	(126.4)
<b>Net cash inflows/(outflows) from financing activities</b>	<b>161.9</b>	<b>(297.6)</b>
<b>Net (decrease)/increase in cash and cash equivalents including overdrafts</b>	<b>(106.2)</b>	<b>28.8</b>
Exchange movement on cash balances	(0.2)	(3.1)
<b>Cash and cash equivalents including overdrafts at beginning of period</b>	<b>358.6</b>	<b>332.9</b>
<b>Cash and cash equivalents including overdrafts at the period end</b>	<b>252.2</b>	<b>358.6</b>

(1) Restated to reflect the classification of the results of Game Spain as a discontinued operation. Please refer to note 1 for further information.

(2) Movements in deposits relating to equity derivatives in both the current and prior year have been presented on a gross basis. This has no impact on net cash outflows from investing activities or net cash as previously reported.

(3) Includes £18.8m paid to increase the Group's ownership of Sports Direct Malaysia Sdn. Bhd to 100%.

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**
*For the 52 weeks ended 27 April 2025*

	Share capital	Share premium <sup>(1)</sup>	Treasury shares	Share- based payment reserve	Foreign currency translation reserve	Own share reserve	Retained earnings	Other <sup>(2)</sup>	Total attributable to owners of parent	Non-controlling interests	Total
	(£'m)	(£'m)	(£'m)	(£'m)	(£'m)	(£'m)	(£'m)	(£'m)	(£'m)	(£'m)	(£'m)
<b>At 30 April 2023</b>	<b>64.1</b>	<b>874.3</b>	<b>(644.2)</b>	<b>33.1</b>	<b>47.4</b>	<b>(66.8)</b>	<b>2,285.5</b>	<b>(965.2)</b>	<b>1,628.2</b>	<b>40.0</b>	<b>1,668.2</b>
Acquisitions <sup>(3)</sup>	-	-	-	-	-	-	-	-	-	(17.6)	(17.6)
Share scheme	-	-	-	18.3	-	-	-	-	18.3	-	18.3
Purchase of own shares	-	-	(126.4)	-	-	-	-	-	(126.4)	-	(126.4)
<b>Transactions with owners in their capacity as owners</b>	<b>-</b>	<b>-</b>	<b>(126.4)</b>	<b>18.3</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(108.1)</b>	<b>(17.6)</b>	<b>(125.7)</b>
Profit for the financial period	-	-	-	-	-	-	380.8	-	380.8	5.8	386.6
<b>Other comprehensive income</b>											
Cashflow hedges - recognised in the period	-	-	-	-	-	-	-	25.5	25.5	-	25.5
Cashflow hedges - recognised time value of options	-	-	-	-	-	-	-	(0.7)	(0.7)	-	(0.7)
Cashflow hedges - reclassified and reported in sales	-	-	-	-	-	-	-	(6.1)	(6.1)	-	(6.1)
Cashflow hedges - reclassified and reported in inventory/cost of sales	-	-	-	-	-	-	-	(8.1)	(8.1)	-	(8.1)
Cashflow hedges - taxation	-	-	-	-	-	-	-	(2.9)	(2.9)	-	(2.9)
Fair value adjustment in respect of long-term financial assets	-	-	-	-	-	-	(43.7)	-	(43.7)	-	(43.7)
Fair value adjustment in respect of investment properties	-	-	-	-	-	-	-	1.2	1.2	-	1.2

Remeasurements of defined benefit pension scheme	-	-	-	-	-	-	0.4	-	0.4	-	<b>0.4</b>
Translation differences - Group	-	-	-	-	(21.7)	-	-	-	(21.7)	-	<b>(21.7)</b>
<b>Total comprehensive income for the period</b>	-	-	-	-	<b>(21.7)</b>	-	<b>337.5</b>	<b>8.9</b>	<b>324.7</b>	<b>5.8</b>	<b>330.5</b>
<b>At 28 April 2024</b>	<b>64.1</b>	<b>874.3</b>	<b>(770.6)</b>	<b>51.4</b>	<b>25.7</b>	<b>(66.8)</b>	<b>2,623.0</b>	<b>(956.3)</b>	<b>1,844.8</b>	<b>28.2</b>	<b>1,873.0</b>
Acquisitions <sup>(3)</sup>	-	-	-	-	-	-	(18.3)	-	(18.3)	(1.1)	(19.4)
Share scheme	-	-	-	8.7	-	-	-	-	8.7	-	8.7
Purchase of own shares	-	-	-	-	-	-	-	-	-	-	-
<b>Transactions with owners in their capacity as owners</b>	-	-	-	<b>8.7</b>	-	-	<b>(18.3)</b>	-	<b>(9.6)</b>	<b>(1.1)</b>	<b>(10.7)</b>
Profit for the financial period	-	-	-	-	-	-	292.1	-	292.1	0.9	293.0
<b>Other comprehensive income</b>											
Cashflow hedges - recognised in the period	-	-	-	-	-	-	-	(9.0)	(9.0)	-	(9.0)
Cashflow hedges - reclassified and reported in sales	-	-	-	-	-	-	-	(12.3)	(12.3)	-	(12.3)
Cashflow hedges - reclassified and reported in inventory/cost of sales	-	-	-	-	-	-	-	2.5	2.5	-	2.5
Cashflow hedges - taxation	-	-	-	-	-	-	-	4.6	4.6	-	4.6
Fair value adjustment in respect of long-term financial assets	-	-	-	-	-	-	(149.6)	-	(149.6)	-	(149.6)
Remeasurements of defined benefit pension scheme	-	-	-	-	-	-	0.2	-	0.2	-	0.2
Translation differences - Group	-	-	-	-	(3.6)	-	-	-	(3.6)	-	(3.6)
<b>Total comprehensive income for the period</b>	-	-	-	-	<b>(3.6)</b>	-	<b>142.7</b>	<b>(14.2)</b>	<b>124.9</b>	<b>0.9</b>	<b>125.8</b>
<b>At 27 April 2025</b>	<b>64.1</b>	<b>874.3</b>	<b>(770.6)</b>	<b>60.1</b>	<b>22.1</b>	<b>(66.8)</b>	<b>2,747.4</b>	<b>(970.5)</b>	<b>1,960.1</b>	<b>28.0</b>	<b>1,988.1</b>

(1) The share premium account is used to record the excess proceeds over nominal value on the issue of shares.

(2) Other reserves comprise permanent contribution to capital, capital redemption reserve, reverse combination reserve, the hedging reserve and the revaluation reserve. All movements in the current period related to the hedging reserve.

(3) In the current and prior period, the Group increased its ownership in Sports Direct Malaysia.

## 1. ACCOUNTING POLICIES

Frasers Group Plc (Company number: 06035106) is a public company incorporated and domiciled in the United Kingdom, its shares are listed on the London Stock Exchange. The registered office is Unit A, Brook Park East, Shirebrook, NG20 8RY. The principal activities and structure of the Group can be found in the Directors' Report and the 'Our Business' section of the Annual Report.

### BASIS OF PREPARATION

Whilst the financial information included in this Preliminary Announcement has been prepared on the basis of UK-adopted International Accounting standards, this announcement does not itself contain sufficient information to comply with UK-adopted International Accounting Standards.

The financial information set out in this Preliminary Announcement does not constitute the Group's Consolidated Financial Statements for the period ended 27 April 2025 but is derived from those Financial Statements which were approved by the Board of Directors on 16 July 2025. The auditor, RSM UK Audit LLP, has reported on the Group's Consolidated Financial Statements and the report was unqualified and did not contain a statement under section 498 (2) or 498 (3) of the Companies Act 2006.

The statutory financial statements for the period ended 27 April 2025 have not yet been delivered to the Registrar of Companies and will be delivered following the Company's Annual General Meeting.

The Group financial statements have been prepared and approved by the Directors in accordance with UK-adopted International Accounting Standards.

The Group's accounting policies are set out in the 2024 Annual Report and Accounts and have been applied consistently in 2025 except as noted below.

### Going Concern

The Group's business activities, together with the factors likely to affect its future development, performance and position are set out in the Chief Executive's Report and Business Review section above.

The financial position of the Group, its cash flows, liquidity position and borrowing facilities are described in the Financial Review. In addition, the financial statements include the Group's objectives, policies and processes for managing its capital, its financial risk management objectives, details of its financial instruments and hedging activities, and its exposures to credit risk and liquidity risk.

The Group is profitable, highly cash generative and has considerable financial resources. The Group is able to operate within its banking facilities and covenants, which run until July 2028 and is well placed to take advantage of strategic opportunities as they arise. As a consequence, the Directors believe that the Group is well placed to manage its business risks successfully despite the continued uncertain economic outlook.

Management has assessed the level of trading and has forecast and projected a conservative base case and also a number of even more conservative scenarios, including taking into account the Group's open positions in relation to Hugo Boss options. These forecasts and projections show that the Group will be able to operate within the level of the current facility and its covenant requirements (being interest cover and net debt to pre-IFRS 16 EBITDA ratios). Management also has a number of mitigating actions which could be taken if required such as putting on hold discretionary spend, liquidating certain assets on the balance sheet, or reducing inventory cover. See the Viability Statement in the Annual Report for further details.

Having thoroughly reviewed the performance of the Group and Parent Company and having made suitable enquiries, the Directors are confident that the Group and Parent Company have adequate resources to remain in operational existence for the foreseeable future, which is at least 12 months from the date of these financial statements. Trading would need to fall significantly below levels observed historically to require mitigating actions or a relaxation of covenants. On this basis, the Directors continue to adopt the going concern basis for the preparation of the Annual Report and financial statements which is a period of at least 12 months from the date of approval of these financial statements.

### New Accounting Standards, Interpretations and Amendments Adopted By The Group

The Group has not early adopted any new accounting standard, interpretation or amendment that has been issued but is not effective. The Group has applied for the first time the following new standards:

- Classification of liabilities as current or Non-current and Non-current liabilities with covenants - Amendments to IAS 1.
- Lease liability in sale and leaseback - Amendments to IFRS 16
- Supplier financing arrangements - Amendments to IAS 7 and IFRS 7

By adopting the above, there has been no material impact on the Financial Statements.

## International Financial Reporting Standards (“Standards”) In Issue But Not Yet Effective

At the date of authorisation of the consolidated Financial Statements, standards, interpretations and amendments that became effective in the current financial year have not had a material impact on the consolidated Group financial statements. The Group has not applied any standards, interpretations or amendments that have been issued but are not yet effective.

The impact of the following is under assessment and is expected to have a material impact on the presentation of the Consolidated Income Statement in future years:

- IFRS 18 ‘Presentation and disclosure in financial statements’, which will become effective in the consolidated Group financial statements for the financial year ending April 2028, subject to UK endorsement.

On 11 July 2023, rules were enacted to ensure large multi-national groups pay a minimum level of corporation tax in respect of all countries where they operate (known as “Pillar 2”). These came effect for the Group from 1 May 2024. Based on the Group’s current business and tax profile, the implement of Pillar 2 legislation will not have a material impact on the Group’s tax rate or tax payments. The estimated additional potential cost under the known Pillar 2 principles is approx. £0.5m.

The Group has applied the exception under IAS 12 to recognising and disclosing information about deferred tax assets and liabilities related to top-up taxes.

## Restated Financial Information

### Reclassification of delivery income and costs associated with free-issue gift vouchers

Following a review of financial reporting processes undertaken during the current period, management identified that income received from customers in respect of the delivery on online orders and the costs associated with offering free-issue gift vouchers (essentially a discount against a future order) had been incorrectly classified within selling, distribution and administrative expenses rather than within revenue.

The impact of this change in the current period is to increase revenue (and consequently gross profit) by £90.0m and to increase selling, distribution and administrative expenses by the same amount. The results for the prior period have been restated on an equivalent basis resulting in a £74.0m increase to revenue (and consequently gross profit) and a corresponding increase in selling, distribution and administrative expenses.

This change does not impact upon the Group’s reported profit, earnings per share, consolidated balance sheet or consolidated cashflow statement in either the current or prior period.

### Game Spain

The Group completed the disposal of the Game Spain business on 19 March 2025 by way of selling the entire share capital of Game Spain Iberia, SL to Guidebridge Opportunities 4, S.L. In accordance with IFRS 5.32, management considered that Game Spain constituted a separate major line of business that had been disposed of and that it therefore met the criteria to be classified as a discontinued operation. Consequently, its results for the current period have been presented separately as a single line item within the Consolidated Income Statement. The prior period results have been restated on an equivalent basis.

## 2. CRITICAL ACCOUNTING JUDGEMENTS AND ESTIMATES

### Climate Change

We have considered the potential impact of climate change in preparing these financial statements. Tackling climate change is a global imperative. Measures which support climate change initiatives and our wider ESG agenda continue to be key components of our strategic direction, supporting sustainability, the broader social agenda and consumer choice. The risks associated with climate change have been deemed to be arising in the medium to long term, however we are working to mitigate these risks as detailed within the TCFD section of the annual report.

We have considered climate change as part of our cash flow projections within going concern, impairment assessments and viability, and the impact of climate change is not deemed to have a significant impact on these assessments currently and therefore they are not deemed to be a key source of estimation uncertainty. The Group will continue to monitor the impacts of climate change over the coming years.

### Critical Accounting Judgements

#### Determining Related Party Relationships

Management determines whether a related party relationship exists by assessing the nature of the relationship by reference to the requirements of IAS 24, Related Party Disclosures. This is in order to determine whether significant influence exists as a result of control, shared directors or parent companies, or close family relationships. The level at which one party may be expected to influence the other is also considered for transactions involving close family relationships.

#### Control and Significant Influence Over Certain Entities

Under IAS 28 *Investments in Associates and Joint Ventures* (“IAS 28”), if an entity holds 20% or more of the voting power of the investee, it is presumed that the entity has significant influence, unless it can clearly demonstrate that this is not the case.

In assessing the level of control that management have over certain entities, management will consider the various aspects that allow management to influence decision making. This includes the level of share ownership, board membership, the level of investment and funding and the ability of the Group to influence operational and strategic decisions and affect its returns through the exercise of such influence. If management were to consider that the Group does have significant influence over these entities then the equity method of accounting would be used and the percentage shareholding multiplied by the results of the investee in the period would be recognised in profit or loss.

### **Shareholdings in investees greater than 20%**

#### **Mulberry Group plc**

Management consider that the Group did not have significant influence at any point in the current or prior periods for the following reasons:

- The Group does not have any representation on the board of directors.
- There is no participation in decision making and strategic processes, including participation in decisions about dividends or other distributions. In this regard, it was noted that there is another shareholder (Chalice Limited) who owns over 50% of the shares.
- There have been no material transactions between the Group and the investee.
- There has been no interchange of managerial personnel.
- No non-public essential technical management information is provided by the investee.

Management notes that, subsequent to the year-end, a representative of the Group was appointed to the board of Mulberry. Management considers that the change in ownership post year-end does not indicate that significant influence existed at any point during FY25 but will be relevant to the FY26 assessment, which has not yet taken place.

#### **XXL ASA ("XXL")**

Management consider that the Group did not have significant influence at any point in the current or prior periods for the following reasons:

- The Group does not have any representation on the board of directors.
- There is no participation in decision making and strategic processes, including participation in decisions about dividends or other distributions (as evidenced by the rebuttal of the Group's initial attempts to assist in the business's fundraising efforts in FY25).
- There have been no material transactions between the Group and the investee.
- There has been no interchange of managerial personnel.
- No non-public essential technical management information is provided by the investee.

Management notes that, subsequent to the year-end, the Group has acquired a majority shareholding in XXL and will therefore consolidate XXL's results from the point the Group obtained control in FY26. Management considers that the change in ownership post year-end does not indicate that significant influence existed at any point during FY25 but will be relevant to the FY26 assessment, which has not yet taken place.

#### **ASOS plc**

Management consider that the Group did not have significant influence at any point in the current or prior periods for the following reasons:

- The Group does not have any representation on the board of directors.
- There is no participation in decision making and strategic processes, including participation in decisions about dividends or other distributions. In this regard, it was noted that there is another shareholder with a larger shareholding than the Group.
- There have been no material transactions between the Group and the investee.
- There has been no interchange of managerial personnel.
- No non-public essential technical management information is provided by the investee.

#### **AO World plc**

Management consider that the Group did not have significant influence at any point in the current or prior periods for the following reasons:

- The Group does not have any representation on the board of directors.
- There is no participation in decision making and strategic processes, including participation in decisions about dividends or other distributions. It was noted that there are a number of other shareholders who hold large investments comparable to the Group's. These include John Roberts (the founder of the business) who remains a board director and currently holds 17.5% of the voting rights, and also Camelot Capital who hold 20.4% of the voting rights. In combination, these other large shareholders could block any resolutions proposed by the Group.
- There have been no material transactions between the Group and the investee.
- There has been no interchange of managerial personnel.
- No non-public essential technical management information is provided by the investee.

#### **Boohoo Group plc**

Management consider that the Group did not have significant influence at any point in the current or prior periods for the following reasons:

- The Group does not have any representation on the board of directors. The Group attempted to get directors appointed to the Board during FY25, but these attempts were rebuffed.

- There is no participation in decision making and strategic processes, including participation in decisions about dividends or other distributions. It was noted that the Kamani family holds 22.8% of voting rights in the company and that the two founders of the group are members of the board of directors. These individuals run the business on a day-to-day basis and the Group's management do not consider that they exert significant influence on them.
- There have been no material transactions between the Group and the investee.
- There has been no interchange of managerial personnel.
- No non-public essential technical management information is provided by the investee.

#### Four (Holdings) Limited

The Group holds 49% of the share capital of Four (Holdings) Limited which is accounted for as an associate using the equity method. The Group does not have any representation on the board of directors and no participation in decision making about relevant activities such as establishing operating and capital decisions, including budgets, appointing or remunerating key management personnel or service providers and terminating their services or employment. However, in prior periods the Group has provided Four (Holdings) Limited with a significant loan. At the reporting date, the amount owed by Four (Holdings) Limited for this loan totalled £22.5m (FY24: £30.0m), being £6.3m (FY24: £6.4m) net of amounts recognised in respect of loss allowance. The Group is satisfied that the existence of these transactions provides evidence that the entity has significant influence over the investee but in the absence of any other rights, in isolation it is insufficient to meet the control criteria of IFRS 10, as the Group does not have power over Four (Holdings) Limited.

#### Tymit Limited

The Group holds 44.2% (FY24: 28.2%) of the share capital of Tymit Limited. This holding is accounted for as an associate under IAS 28, although the carrying value of the investment is £nil as a result of management's assessment of future trading prospects of the business. Management has advanced Tymit convertible loans of £16.8m at 27 April 2025 (£15.8m as 28 April 2024), which have been fully provided for. Management has considered whether any of the rights attaching to the loan notes could give rise to control and concluded that this was not the case.

#### Kangol LLC

The Group holds 49% of the share capital of Kangol LLC having sold 51% of its shareholding to Bollman Hat Company for £17.6m in the prior period. Management considered the criteria set out in IFRS 10 when assessing whether or not it retains control of the entity or significant influence as defined by IAS 28. It was concluded that the Group has significant influence by virtue of its holding more than 20% of the voting power of the investee, but not control since Bollman holds 51% of total voting rights. Consequently, the Group's 49% shareholding has been accounted for as an associate under IAS 28.

#### Hudson Holdings ("Hudson")

The Group acquired a 41.8% holding in Hudson during FY25. This holding is accounted for as an associate under IAS 28 as the Group exhibits significant influence over the investee.

#### Consideration of significant influence in investees with holdings lower than 20%

##### Huqo Boss

Whilst the Group's shareholding was below the 20% threshold set out in IAS 28 at FY25 year-end, management notes that Michael Murray was appointed to Boss's supervisory board on 16 May 2025 and the Group's shareholding has subsequently increased to approximately 25%. Management consider that these changes do not indicate that significant influence existed at any point during FY25 but will be relevant to the FY26 assessment, which has not yet taken place.

##### Accent

Management notes that a representative of the Group was appointed to the board of Accent during FY25, and that the Group entered into a long-term partnership with Accent in May 2025, increasing its shareholding to approximately 20% at that point. Management consider that these changes do not indicate that significant influence existed at any point during FY25 but will be relevant to the FY26 assessment, which has not yet taken place.

#### **Cash Flow Hedging**

The Group uses a range of forward and option contracts that are entered into at the same time; they are in contemplation with one another and have the same counterparty. A judgement is made in determining whether there is an economic need or substantive business purpose for structuring the transactions separately that could not also have been accomplished in a single transaction. Management are of the view that there is a substantive distinct business purpose for entering into the options and a strategy for managing the options independently of the forward contracts. The forward and options contracts are therefore not viewed as one instrument; accordingly hedge accounting for the forwards is permitted.

Under IFRS 9 in order to achieve cash flow hedge accounting, forecast transactions (primarily Euro denominated sales and USD denominated purchases) must be considered to be highly probable. The hedge must be expected to be highly effective in achieving offsetting changes in cash flows attributable to the hedged risk. The forecast transaction that is the subject of the hedge must be highly probable and must present an exposure to variations in cash flows that could ultimately affect profit or loss.

Management have reviewed the detailed forecasts and the growth assumptions within them and are satisfied that forecasts on which the cash flow hedge accounting has been based meet the criteria per IFRS 9 as being highly probable forecast transactions. Should the forecast levels not pass the highly probable test, any cumulative fair value gains and losses in relation to either the entire or the ineffective portion of the hedged instrument would be recognised in the Consolidated Income Statement.

Management considers various factors when determining whether a forecast transaction is highly probable. These factors include detailed sales and purchase forecasts by channel, geographical area and seasonality, conditions in target markets and the impact of expansion in new areas. Management also consider any change in alternative customer sales channels that could impact on the hedged transaction.

If the forecast transactions were determined to be not highly probable and all hedge accounting was discontinued, amounts in the Hedging reserve of up to £7.5m (FY24: £21.7m) would be shown in Finance Income.

### Classification of investment properties

Upon the acquisition of a property, management perform an assessment of the rationale for holding the property in line with IAS 40. This assessment includes a consideration of current use, future plans for the property and the strategy employed by the Group in managing the property. Management applies judgement in the consideration of whether or not it is feasible to sell or let parts of the property under a finance lease, whether this is commercially viable in the relevant marketplace, and whether or not any owner-occupied portion is insignificant.

During the current period, the Group acquired seven properties (FY24: four), all of which met the criteria to be classified as investment properties and were considered to be non-separable, with either insignificant or no owner-occupied portions.

### Key Estimates

#### Inventory provisioning

The Group carries significant amounts of inventory, against which there are provisions for expected losses to be incurred in the sale of slow moving, obsolete and delisted products. At 27 April 2025, a provision of £146.8m (FY24: £192.0m) was held against a gross inventory value of £1,275.1m (FY24: £1,547.3m).

In assessing the level of provision required, management has applied its experience and industry knowledge to divide the core UK inventory holding into separate categories based on internal management classifications and behavioural characteristics, taking account of experience by fascia and segment, as follows:

- Continuity inventory – inventory that is considered to be perennial and therefore exhibits limited risk of obsolescence.
- Current season inventory – inventory that has been purchased specifically for seasons in the current calendar year and future years.
- Out of season inventory (including inventory previously classified as continuity) – inventory that has moved out of the two categories above because of its age, range development or because it is being sold at below cost to clear warehouse/store space.

An adjusted rate of loss is then calculated based on losses incurred on the sale of out of season inventory over the past three years (being management’s assessment of the time taken to clear through out of season inventory), with any inventory remaining on hand after three years of being classified as out of season being assumed to require a 100% provision rate. The historical rate is sensitised to reflect management’s best estimate of future performance by making assumptions around changes to sales prices achieved on the sale of out of season inventory vs. those achieved in the past three years and the level of inventory remaining after three years of being classified as out of season. In the current period, management have estimated that selling prices will need to reduce by a further 5% (FY24: 15%) to clear an equivalent volume of out of season inventory and that approximately two times (FY24: fifteen times) as much Premium Lifestyle out of season inventory will remain on hand at the end of the three-year period of assessment than has typically been the case historically, requiring a 100% provision rate, reflecting the different profile of this inventory to Sports inventory. The changes in assumptions around selling prices and Premium Lifestyle out of season inventory will remain on hand reflect management’s best estimates based on performance seen in the past 12 months.

In addition, management has applied a provision rate of 100% against a portion of the inventory holding that is either currently being sold at a loss or exhibits an unusually high level of obsolescence risk. The 100% provision rate reflects the costs associated with clearing and disposing of this inventory. Consideration is also given to a provision to reflect an element of shrinkage (due to inventory loss in stores or warehouses) that will be present in the closing inventory figure based on average rates of shrinkage and average inventory turn rates.

The adjusted rate of loss is applied to the gross value of inventory in each of the categories above as follows:

- Continuity inventory – the adjusted loss rate is applied to 30% of the gross holding (representing the proportion of inventory in this category that is expected to roll into the out of season category based on historical experience and anticipated future trends).
- Current season inventory – the adjusted loss rate is applied to 30 % of the gross holding (representing the proportion of inventory in this category that is expected to roll into the out of season category based on historical experience and anticipated future trends).
- Out of season inventory (including inventory previously classified as continuity) - the adjusted loss rate is applied to this population, excluding those specific items that carry a 100% provision rate based on the analysis detailed above.

The provisioning calculations require a high degree of judgement, given the significant level of estimation uncertainty in the roll rates between classifications, as well as the use of estimates around future sales prices and the remaining inventory holding for out of season inventory. Sensitivity analysis relating to these key assumptions and its impact upon the core UK inventory holding (which makes up the most significant part of the Group’s inventory holding) is set out below.

<i>% of inventory rolling into out of season (including inventory previously classified as continuity) category</i>	
Base assumption	30%

Sensitised assumption	35%/25%
Increase/(decrease) to provision	£3.8m/(£3.8m)
<u>Decrease in sales prices on out of season inventory</u>	
Base assumption	-5%
Sensitised assumption	-10%/nil%
Increase/(decrease) to provision	£6.6m/(£3.3m)
<u>Increase in out of season Premium Lifestyle inventory on hand after three years</u>	
Base assumption	2 times historical rate
Sensitised assumption	3 times historical rate/1 times historical rate
Increase/(decrease) to provision	£6.1m/(£6.3m)

These sensitivities reflect management's assessment of reasonably possible changes to key assumptions which could result in adjustments to the level of provision within the next financial year.

#### Dilapidations

The Group provides for its legal responsibility for dilapidation costs following advice from chartered surveyors and previous experience of exit costs (including strip out costs and professional fees). Management do not consider these costs to be capital in nature and therefore dilapidations are not capitalised, except for in relation to the sale and leaseback of Shirebrook for which a material dilapidations provision was capitalised in FY20.

Management calculates its best estimate of the provision required by reference to the proportion of closed stores for which a dilapidation cost is likely to be incurred, based on past experience, and an estimate for the level of costs based on advice from chartered surveyors. The annual movement in the dilapidations provisions is considered immaterial.

Sensitivity analysis to changes in key assumptions is as follows:

	Estimated cost per sq. ft.	% of stores where a dilapidation cost is incurred
Base assumption	£18.10	25%
Sensitised assumption	£19.10/£17.10	30%/20%
Increase to provision	£1.8m	£5.9m
(Decrease) to provision	(£1.8m)	(£5.9m)

#### Legal and regulatory provisions

Provisions are made for items where the Group has identified a present legal or constructive obligation arising as a result of a past event, it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Legal and regulatory provisions reflect management's best estimate of the potential costs arising from the settlement of outstanding disputes of a commercial and regulatory nature. A substantial portion of the amounts provided relates to ongoing legal claims and non-UK tax enquiries. Management have made a judgement to consider all claims collectively given their similar nature. In accordance with IAS37.92, management have concluded that it would prejudice seriously the position of the entity to provide further specific disclosures in respect of amounts provided for non-UK tax enquiries and legal claims.

#### Other receivables and amounts owed by related parties

Other receivables and amounts owed by related parties are stated net of provision for any impairment. Management have applied estimates in assessing the recoverability of working capital and loan advances made to investee companies. Matters considered include the relevant financial strength of the underlying investee company to repay the loans, the repayment period and underlying terms of the monies advanced, forecast performance of the underlying borrower, and where relevant, the Group's intentions for the companies to which monies have been advanced.

Management have applied a weighted probability to certain potential repayment scenarios, with the strongest weighting given to expected default after two years.

## Impairment of non-financial assets

### a) IFRS 16 right-of-use assets and associated plant and equipment

IFRS 16 defines the lease term as the non-cancellable period of a lease together with the options to extend or terminate a lease, if the lessee were reasonably certain to exercise that option. The Group will assess the likelihood of extending lease contracts beyond the break date by taking into account current economic and market conditions, current trading performance, forecast profitability and the level of capital investment in the property.

IFRS 16 states that the lease payments shall be discounted using the lessee's incremental borrowing rate where the rate implicit in the lease cannot be readily determined. Accordingly, all lease payments have been discounted using the incremental borrowing rate (IBR). The IBR has been determined by using a credit rating for the Group which is used to obtain market data on debt instruments for companies with the same credit rating; this is split by currency to represent each of the geographical areas the Group operates within and adjusted for the lease term.

The weighted average discount rates based on incremental borrowing rates used throughout the period across the Group's lease portfolio are shown below. The discount rate for each lease is dependent on lease start date, term and location.

Lease Term FY25	UK	Europe	Rest of World
Up to 5 years	1.4% - 5.7%	0.3% - 4.0%	1.5% - 6.0%
Greater than 5 years and up to 10 years	2.0% - 5.7%	0.5% - 4.0%	2.4% - 5.7%
Greater than 10 years and up to 20 years	2.2% - 5.8%	0.8% - 4.0%	2.9% - 5.9%
Greater than 20 years	2.5% - 5.9%	1.1% - 4.1%	3.5% - 6.1%
Lease Term FY24	UK	Europe	Rest of World
Up to 5 years	1.4% - 5.7%	0.3% - 4.0%	1.5% - 6.2%
Greater than 5 years and up to 10 years	1.4% - 5.7%	0.3% - 4.0%	1.5% - 6.0%
Greater than 10 years and up to 20 years	2.0% - 5.7%	0.3% - 4.0%	1.5% - 6.2%
Greater than 20 years	2.0% - 5.9%	0.5% - 4.0%	1.5% - 6.3%

An asset is impaired when the carrying amount exceeds its recoverable amount. Equally previous impairments are reversed when the recoverable amount exceeds the carrying amount and there are previous impairments against the asset. IAS 36 defines recoverable amount as the higher of an asset's or cash-generating unit's fair value less costs of disposal and its value in use. The Group has determined that each store is a separate CGU.

The recoverable amount is calculated based on the Group's latest forecast cash flows which are then extrapolated to cover the period to the break date of the lease taking into account historic performance and knowledge of the current market, together with the Group's views on future profitability of each CGU. The key assumptions in the calculations are the sales growth rates, gross margin rates, changes in the operating cost base and the pre-tax discount rate derived from the Group's weighted average cost of capital using the capital asset pricing model, the inputs of which include a risk-free rate, equity risk premium and a risk adjustment (Beta). Given the number of assumptions used, the assessment involves significant estimation uncertainty.

In the period, a net reversal of previous impairments has been recognised for the amount of £5.0m (FY24: a net reversal £0.4m) due to the improving conditions in the retail sector on the forecast cash flows of the CGU. This is broken down as follows:

- £6.2m reversal (FY24: reversal £5.2m) against right-of-use assets; and
- £1.2m impairment charge (FY24: impairment charge £4.8m) against plant and equipment.

The key assumptions, which are equally applicable to each CGU, in the cash flow projections used to support the carrying amount of the right of use asset are consistent with the cashflow projections for the freehold land and buildings impairment assessment.

A sensitivity analysis has been performed in respect of sales, margin, the new store exemption and operating costs as these are considered to be the most sensitive of the key assumptions:

Forecast:	Impact of change in assumption:	Reversal increase / (decrease) (£'m)
Sales decline year 1	10% improvement to 9% increase	0.7
Sales decline year 1	10% reduction to 11% decline	(5.1)
Existing gross margin year 1 > 40%	100bps – improvement	0.3
Existing gross margin year 1 > 40%	100bps – reduction	(0.5)
New store exemption <sup>(1)</sup>	Change from 2 to 3 years	6.3
Operating costs increase year 1	Change from 2% to 5%	(0.5)

<sup>(1)</sup> Stores which have been open for less than two years are not reviewed for impairment. This changed in the prior period on the basis that management do not consider that a trading performance in the first two years that is worse than an appraisal forecast constitutes an indicator of impairment. Management also notes that new stores can take up to two years to develop an established trading pattern.

Stores trading for less than two years are still reviewed for impairment if there are other significant indicators of impairment present such as a deterioration in local market conditions.

*b) Freehold land and buildings, long-term leasehold and associated plant and equipment*

Freehold land and buildings and long-term leasehold assets are assessed at each reporting period for as to whether there is any indication of impairment or reversal in line with IAS 36.

An asset is impaired when the carrying amount exceeds its recoverable amount. Equally previous impairments are reversed when the recoverable amount exceeds the carrying amount and there are previous impairments against the asset. IAS 36 defines recoverable amount as the higher of an asset's or cash-generating unit's fair value less costs of disposal and its value in use. the Group has determined that each store is a separate CGU.

Key triggers considered by management include store (i.e., CGU) EBITDA showing a material year-on-year movement, significant changes in property valuations, and whether any new, wider economic factors may impact the forecast performance. Based on the criteria set by management, a reversal of £4.6m (FY24: net impairment charge £14.9m) was recorded for the current period due to certain properties out performing against forecasted results where material impairments were previously incurred. This is broken down as follows:

- £2.7m reversal (FY24: reversal of £6.8m) against freehold land and buildings and a £0.7m reversal (FY24: impairment charge £6.7m) in relation to long leasehold properties; and
- £1.2m reversal (FY24: impairment charge £15.0m) against plant and equipment.

*Value In Use (VIU)*

The value in use is calculated based on five-year cash flow projections. These are formulated by using the Group's forecast cash flows for each individual CGU, taking into account historic performance of the CGU, and then adjusting for the Group's current views on future profitability for each CGU. The key assumptions in the calculations are the sales growth rates, gross margin rates, changes in the operating cost base and the pre-tax discount rate derived from the Group's weighted average cost of capital using the capital asset pricing model, the inputs of which include a risk-free rate, equity risk premium and a risk adjustment (Beta). Given the number of assumptions used, the assessment involves significant estimation uncertainty.

The key assumptions, which are equally applicable to each CGU, in the cash flow projections used to support the carrying amount of the freehold land and buildings were as follows:

Key assumptions FY25	Year 1	Year 2	Year 3	Year 4	Year 5
Sales decline	-1%	-1%	-1%	-1%	-1%
Existing gross margin > 40%	-50bps	-25bps	-	-	-
Operating costs increase per annum	2%	2%	2%	2%	2%
Discount rate	10.6%	10.6%	10.6%	10.6%	10.6%
Terminal growth rate of 2%					

Properties purchased within two years, or stores that have not traded for two years, are not reviewed for impairment.

Key assumptions FY24	Year 1	Year 2	Year 3	Year 4	Year 5
Sales decline	-3%	-2%	-2%	-2%	-2%
Existing gross margin > 40%	-100bps	-75bps	-50bps	-25bps	-
Operating costs increase per annum	3%	3%	3%	3%	3%
Discount rate	9.8%	9.8%	9.8%	9.8%	9.8%
Terminal growth rate of 2%					

Properties purchased within one year, or stores that have not traded for two years, are not reviewed for impairment.

A sensitivity analysis has been performed in respect of sales, margin and operating costs as these are considered to be the most sensitive of the key assumptions.

Forecast:	Impact of:	Reversal increase / (decrease) (£'m)
Sales decline year 1	10% improvement to 9% sales increase	-
Sales decline year 1	10% reduction to 11% sales decline	-
Existing gross margin year 1 > 40%	100bps – improvement	-
Existing gross margin year 1 > 40%	100bps – reduction	-
Operating costs increase year 1	Change from 2% to 5%	-

*The reasonably possible movements in the assumptions listed above do not result in a change in the reversals indicated.*

*Fair value less costs of disposal*

For those CGUs where the value in use is less than the carrying value of the asset, the fair value less costs of disposal has been determined using both external and internal market valuations. This fair value is deemed to fall into Level 3 of the fair value hierarchy as per IFRS 13. The property portfolio consists of vacant, Frasers Group occupied and third party tenanted units; one property can include all three types. The following valuation methodology has been adopted for each:

Scenario	Valuation methodology	Key assumptions
Vacant units	Estimated Rental Value (ERV) and suitable reversionary yield applied to reflect the market to generate a net capital value. A deduction to the capital value generated is then made based on the void period with applicable rates payable for the unit and rent-free incentive.	Void period and rent-free band – three bands applied depending on circumstances: <ul style="list-style-type: none"> <li>• 1 year void, 1 year rent free; or</li> <li>• 1 year void, 2 years rent free; or</li> <li>• 2 years void, 3 years rent free.</li> </ul>
Frasers Group occupied	Will be assumed the unit is vacant given there is no legally binding inter-company agreement in place. Therefore, a void and rent-free incentive period assumed, the cost amount then deducted from the capital value generated by the ERV and reversionary yield. Although we consider the commercial reality is that fair value less costs to sell will be higher than vacant possession, this very conservative assumption is in line with both technical accounting rules and that of our management experts.	Yield bands – ranging from 6.0% - 20.0% Void period and rent-free band – three bands applied depending on circumstances: <ul style="list-style-type: none"> <li>• 1 year void, 1 year rent free; or</li> <li>• 1 year void, 2 years rent free; or</li> <li>• 2 years void, 3 years rent free.</li> </ul>
Third party tenanted	An ERV is applied using a percentage band on the passing rent. An appropriate reversionary yield is applied reflecting the risk of tenant and renewal to generate a capital value. This will also provide a net initial yield based off the current passing rent.	Yield bands – ranging from 6.0% - 20.0% ERV is applied reflecting the market for the applicable unit. An appropriate reversionary yield is applied reflecting the risk of tenant and renewal to generate a capital value. This will also provide a net initial yield based off the current passing rent.

A 10% increase in the market valuation amounts used in the impairment/reversal calculations would result in a £nil impact on the reversal charge (FY24: £0.8m).

The total recoverable amount of the assets that were reversed at the period end was £82.3m (FY24: £61.8m), with £nil (FY24: £7.7m) of this being based on their fair value less costs of disposal and £82.3m (FY24: £54.1m) being based on their value in use.

#### Onerous lease provisions

IAS 37 defines a contract is onerous when the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it. The unavoidable costs under a contract reflect the least net cost of exiting from the contract, which is the lower of the cost of fulfilling it and any compensation or penalties arising from failure to fulfil it. Accordingly, the Group provides for the future unavoidable costs that will be incurred under the lease obligations at the present date when the outflow of future economic benefits is deemed probable.

The Group has determined that each store is a separate CGU and assess the profitability of lease contracts by taking into account current economic and market conditions, current trading performance and forecast profitability over the remaining life of the lease.

The key assumptions in the calculations are the sales growth rates, gross margin rates, changes in the operating cost base and the discount rate used. During the period, net reversal of provisions amounted to £8.8m (FY24: £34.5m).

A sensitivity analysis has been performed in respect of sales, margin, the new store exemption and operating costs as these are considered to be the most sensitive of the key assumptions:

Forecast:	Impact of change in assumption:	Reversal increase / (decrease) (£'m)
Sales decline year 1	10% improvement to 9% sales increase	4.7
Sales decline year 1	10% reduction to 11% sales decline	(11.8)
Existing gross margin year 1 > 40%	100bps – improvement	0.5
Existing gross margin year 1 > 40%	100bps – reduction	(1.2)
New store exemption <sup>(1)</sup>	Change from 2 to 3 years	9.4
Operating costs increase year 1	Change from 2% to 5%	(2.3)

<sup>(1)</sup> Stores which have been open for less than two years are not reviewed for impairment. This changed in the prior period on the basis that management do not consider that a trading performance in the first two years that is worse than an appraisal forecast constitutes an indicator of impairment. Management also notes that new stores can take up to two years to develop an established trading pattern. Stores trading for less than two years are still reviewed for impairment if there are other significant indicators of impairment present such as a deterioration in local market conditions.

#### Investment Property valuations

Investment properties valued by the Group's internal property team are valued on an open market basis based on active market prices adjusted for any differences in the nature, location or condition of the specified asset such as plot size, encumbrances and current use. If this information is not available, alternative valuation methods are used such as recent prices on less active markets, or discounted cashflow projections.

The market value of the investment properties is also supported by comparison to that produced using the valuation methodology described in the "Fair value less costs of disposal" section above. The range of yield applied across the investment property portfolio is 6.0% to 20.0%.

## Credit Customer Receivables

The Group's credit customer receivables are recognised on the balance sheet at amortised cost (i.e., net of provision for expected credit loss). At 27 April 2025, trade receivables with a gross value of £254.9m (FY24: £286.9m) were recorded in the consolidated balance sheet, less a provision for impairment of £73.2m (FY24: £80.7m).

### Expected credit loss

An appropriate allowance for expected credit loss in respect of trade receivables is derived from estimates and underlying assumptions such as the Probability of Default and the Loss Given Default, taking into consideration forward looking macro-economic assumptions. The assessment involves significant estimation uncertainty. Changes in the assumptions applied such as the value and frequency of future debt sales in calculating the Loss Given Default, and the estimation of customer repayments and Probability of Default rates, as well as the weighting of the macro-economic scenarios applied to the impairment model could have a significant impact on the carrying value of trade receivables. These assumptions are continually assessed for relevance and adjusted appropriately. Revisions to estimates are recognised prospectively.

### Macroeconomic scenarios

The principal macroeconomic driver factored into the impairment model is unemployment. The latest economic scenarios used in the model along with the probably weighting applied to each are summarised as follows:

Scenario	Qualitative explanation	Probability weighting applied
Upside	Inflation returns quickly to target despite strong growth and the Bank of England cuts interest rates to 4% by mid-2025. Unemployment eventually falls back to 3.8%, wage growth remains strong and supportive as the economy moves onto a higher productivity path.	5%
Baseline	Inflation is expected to end the year at 3.1% (FY24: 2.3%) as more than half of firms intend to pass on some or all the hit from higher taxes and the minimum wage. This shouldn't prevent the Monetary Policy Committee from cutting the Bank Rate to (at least) 4% by end-2025. Affordability constraints means we still expect a slight fall in prices in the coming months.	50%
Downside	By mid 2025 the Bank of England cuts interest rate sharply in the summer as it becomes clear the slump in demand is adding to global deflationary forces. The economy goes into recession: GDP falls around 2.5% peak-to-trough. GDP contracts 0.2% in 2025 and 1.6% in 2026. Unemployment peaks at 6% in Q2 2026.	30%
Stress	Inflation rise sharply, hitting a peak of 7.3% during Q4 2025. The Bank of England raises interest rates to 6.25% in early 2026; the correction in asset prices turns into a crash. The unemployment rate rises to 8%.	15%

## Valuation of assets acquired in business combinations

The principal estimate in the acquisition of Twin Sport was around the fair value of inventory acquired. The fair value of inventory, which primarily included finished goods, was estimated at £10.8m, an increase of £1.0m on the carrying value prior to the acquisition. Overall, the Group recognised goodwill of £20.5m on acquisition of Twin Sport, with total consideration of £20.2m for net liabilities at fair value of £0.3m.

## 3. SEGMENTAL ANALYSIS

IFRS 8 requires operating segments to be identified on the basis of the internal financial information reports to the Chief Operating Decision Maker ("CODM") who is primarily responsible for the allocation of resources to segments and assessment of performance of the segments.

The Group presents five operating segments:

- **UK Sports**  
This segment includes the results of the Group's core sports retail store operations in the UK, plus all the Group's sports retail online business, other UK-based sports retail and wholesale operations, GAME UK stores and online operations, retail store operations in Northern Ireland, Frasers Fitness, Studio Retail's sales and the Group's central operating functions (including the Shirebrook campus).
- **Premium Lifestyle**  
This segment includes the results of the Group's premium and luxury retail businesses FLANNELS, Cruise, Van Mildert, Jack Wills, House of Fraser & Frasers, Gieves and Hawkes, and Sofa.com along with the related websites, the businesses acquired from JD Sports, as well as the results from the I Saw it First website and the Missguided website until the disposal of the Missguided intellectual property in October 2023.
- **International**  
This segment includes the results all of the Group's sports retail stores, management and operating functions in Europe, Asia and the rest of the world, including the Group's European Distribution Centres in Belgium and Austria, Twin Sport in the Netherlands, the Baltics & Asia e-commerce offerings, the MySale business in Australia, and all non-UK based wholesale and licensing activities (relating to brands such as Everlast and Slazenger).
- **Property**

This segment includes the results from the Group's freehold property owning and long leasehold holding property companies and the associated property, plant and equipment that generate third party rental, other property related income (e.g. car parking, conference and events income). The results of the Coventry Arena are reported in this segment. The depreciation of freehold and long leasehold owner-occupied properties is also reported in this segment.

- Financial Services

This segment includes the result of Frasers Group Financial Services. This includes interest charged on amounts advanced to consumer credit customers, along with the associated impairment and operating costs.

The operating performance of each segment is assessed by reference to revenue, gross margin, and profit from trading activities after operating expenses. For the avoidance of doubt, operating costs in the Group's three retail operating segments include rents payable to third party landlords. Intra-group rent payments are eliminated on consolidation.

For the property segment, profit from trading activities includes fair value gains and losses in respect of investment properties (see further below) and gains or losses on disposal of properties since the Group's property businesses seek to generate income from rentals and capital appreciation of properties held.

In the Financial Services segment, impairment losses on consumer credit receivables are disclosed within gross margin, which management deem to be the appropriate treatment for a financial services business.

Depreciation, amortisation and impairments (net of any reversals) are disclosed as part of each segment's operating profit/(loss).

Net investment and finance income and costs are not split by segment as management consider that these items relate to the Group as a whole and any split would not be meaningful.

Segmental information for the 52 weeks ended 27 April 2025:

	UK Sports	Premium lifestyle	International	Retail	Property	Financial Services	Group Total
	(£'m)	(£'m)	(£'m)	(£'m)	(£'m)	(£'m)	(£'m)
Revenue	2,698.1	1,048.2	1,007.4	4,753.7	86.6	85.3	4,925.6
Cost of sales	(1,398.5)	(635.4)	(553.6)	(2,587.5)	(9.6)	(22.1)	(2,619.2)
<b>Gross profit</b>	<b>1,299.6</b>	<b>412.8</b>	<b>453.8</b>	<b>2,166.2</b>	<b>77.0</b>	<b>63.2</b>	<b>2,306.4</b>
Gross Margin %	48.2%	39.4%	45.0%	45.6%	88.9%	74.1%	46.8%
Operating costs	(823.8)	(255.4)	(339.7)	(1,418.9)	(46.6)	(45.7)	(1,511.2)
Fair value adjustments to investment properties	-	-	-	-	13.1	-	13.1
Profit on disposal of properties	-	-	-	-	0.6	-	0.6
<b>Profit from trading</b>	<b>475.8</b>	<b>157.4</b>	<b>114.1</b>	<b>747.3</b>	<b>44.1</b>	<b>17.5</b>	<b>808.9</b>
Depreciation & amortisation	(134.3)	(27.2)	(69.3)	(230.8)	(44.2)	(0.4)	(275.4)
Impairments net of impairment reversals	5.0	1.8	(1.8)	5.0	4.6	-	9.6
Share-based payments	(0.8)	-	-	(0.8)	-	-	(0.8)
Foreign exchange realised	19.8	(0.1)	(4.9)	14.8	-	(0.1)	14.7
<b>Operating profit</b>	<b>365.5</b>	<b>131.9</b>	<b>38.1</b>	<b>535.5</b>	<b>4.5</b>	<b>17.0</b>	<b>557.0</b>
Profit on sale of subsidiaries							4.3
Share of profit of associated undertakings							2.0
Net investment costs							(30.3)
Net finance costs							(153.6)
<b>Profit before tax</b>							<b>379.4</b>
Profit from discontinued operations							6.3
Fair value adjustment to derivative financial instruments							46.8
Fair value losses on equity derivatives							141.6
Realised FX gain							(14.7)
Share-based payments							0.8
<b>Adjusted profit before tax ("APBT")</b>							<b>560.2</b>

Revenue from external customers in Frasers Group Financial Services Limited includes credit account interest of £85.3m (FY24: £111.0m), and gross profit includes impairment losses on credit customer receivables of £22.1m (FY24: £20.6m), both of which are recognised in the Financial Services segment.

Other segmental items included in the income statement for the 52 weeks ended 27 April 2025:

	UK Sports	Premium lifestyle	International	Retail	Property	Financial Services	Group Total
	(£'m)	(£'m)	(£'m)	(£'m)	(£'m)	(£'m)	(£'m)
Property, plant & equipment depreciation	(85.8)	(24.0)	(27.9)	(137.7)	(44.2)	(0.4)	(182.3)

Property, plant & equipment (impairment)/reversals	(1.2)	-	-	(1.2)	4.6	-	3.4
IFRS 16 ROU depreciation	(47.2)	(3.2)	(39.2)	(89.6)	-	-	(89.6)
IFRS 16 ROU (impairment)/reversals	6.2	1.8	(1.8)	6.2	-	-	6.2
Fair value adjustments to investment properties	-	-	-	-	13.1	-	13.1
IFRS 16 disposal and modification/remeasurement of lease liabilities	9.6	0.8	(0.7)	9.7	-	-	9.7
Intangible amortisation	(1.3)	-	(2.2)	(3.5)	-	-	(3.5)

Segmental information for the 52 weeks ended 28 April 2024<sup>(1)</sup>

	UK Sports	Premium lifestyle	International	Retail	Property	Financial Services	Group Total
	(£'m)	(£'m)	(£'m)	(£'m)	(£'m)	(£'m)	(£'m)
Revenue	2,908.9	1,229.8	994.6	5,133.3	72.7	111.0	5,317.0
Cost of sales	(1,558.5)	(773.2)	(547.7)	(2,879.4)	(7.8)	(20.6)	(2,907.8)
<b>Gross profit</b>	<b>1,350.4</b>	<b>456.6</b>	<b>446.9</b>	<b>2,253.9</b>	<b>64.9</b>	<b>90.4</b>	<b>2,409.2</b>
Gross Margin %	46.4%	37.1%	44.9%	43.9%	89.3%	81.4%	45.3%
Operating costs	(882.0)	(319.4)	(319.7)	(1,521.1)	(40.8)	(32.8)	(1,594.7)
Fair value adjustments to investment properties	-	-	-	-	11.5	-	11.5
Profit on disposal of properties	-	-	-	-	3.5	-	3.5
<b>Profit from trading</b>	<b>468.4</b>	<b>137.2</b>	<b>127.2</b>	<b>732.8</b>	<b>39.1</b>	<b>57.6</b>	<b>829.5</b>
Depreciation & amortisation	(109.9)	(36.4)	(76.5)	(222.8)	(60.2)	(1.5)	(284.5)
Impairments net of impairment reversals	8.4	(2.5)	(12.5)	(6.6)	(14.8)	-	(21.4)
Share-based payments	(23.0)	-	(0.4)	(23.4)	-	-	(23.4)
Foreign exchange realised	9.2	0.3	0.3	9.8	4.6	-	14.4
<b>Operating profit/(loss)</b>	<b>353.1</b>	<b>98.6</b>	<b>38.1</b>	<b>489.8</b>	<b>(31.3)</b>	<b>56.1</b>	<b>514.6</b>
Profit on sale of subsidiaries/discontinued operations							25.0
Net investment income							9.5
Net finance costs							(48.1)
<b>Profit before tax</b>							<b>501.0</b>
Loss from discontinued operations							(6.5)
Fair value adjustment to derivative financial instruments							(27.6)
Fair value losses on equity derivatives							68.9
Realised FX gain							(14.4)
Share-based payments							23.4
<b>Adjusted profit before tax ("APBT")</b>							<b>544.8</b>

(1) Restated to reflect the classification of the results of Game Spain as a discontinued operation and the reclassification of delivery income and costs associated with free-issue gift vouchers from selling, distribution and administrative expenses to revenue. Please refer to note 1 for further information.

Other segmental items included in the income statement for the 52 weeks ended 28 April 2024:

	UK Sports	Premium lifestyle	International	Retail	Property	Financial Services	Group Total
	(£'m)	(£'m)	(£'m)	(£'m)	(£'m)	(£'m)	(£'m)
Property, plant & equipment depreciation	(68.7)	(26.9)	(41.6)	(137.2)	(60.2)	(2.1)	(199.5)
Property, plant & equipment impairment	(3.0)	3.0	(4.9)	(4.9)	(14.8)	-	(19.7)
IFRS 16 ROU depreciation	(40.7)	(9.5)	(33.6)	(83.8)	-	0.6	(83.2)
IFRS 16 ROU (impairment)/reversals	11.9	(0.3)	(6.4)	5.2	-	-	5.2
Fair value adjustments to investment properties	-	-	-	-	11.5	-	11.5
IFRS 16 disposal and modification/remeasurement of lease liabilities	(2.1)	4.9	(9.4)	(6.6)	-	-	(6.6)
Intangible amortisation	(0.5)	-	(1.3)	(1.8)	-	-	(1.8)
Intangible impairment	(0.5)	(5.2)	(1.2)	(6.9)	-	-	(6.9)

4. INVESTMENT INCOME

52 weeks ended	52 weeks ended
27 April 2025	28 April 2024
(£'m)	(£'m)

Premium received on equity derivatives	105.5	76.1
Dividend income	5.8	2.3
	<b>111.3</b>	<b>78.4</b>

The premium received on equity derivatives mainly relates to written Hugo Boss options.

## 5. INVESTMENT COSTS

	52 weeks ended 27 April 2025 (£'m)	52 weeks ended 28 April 2024 (£'m)
Loss on disposal of equity derivatives	91.8	36.5
Fair value loss on equity derivatives	49.8	32.4
	<b>141.6</b>	<b>68.9</b>

The loss on equity derivatives relates to losses across the strategic investments portfolio including Hugo Boss.

The net fair value loss on equity derivatives in the current period was £36.1m (FY24: net fair value gain of £7.2m).

## 6. FINANCE INCOME

	52 weeks ended 27 April 2025 (£'m)	52 weeks ended 28 April 2024 (£'m)
Bank interest receivable	17.1	15.8
Fair value adjustment to derivatives*	12.1	27.6
	<b>29.2</b>	<b>43.4</b>

\*Includes £12.1m (FY24: £6.1m) from interest rate swaps.

## 7. FINANCE COSTS

	52 weeks ended 27 April 2025 (£'m)	52 weeks ended 28 April 2024 (£'m)
Interest on bank loans and overdrafts	89.4	66.8
Fair value adjustment to derivatives	58.9	-
IFRS 16 lease interest	25.6	24.3
Interest on retirement benefit obligations	0.2	-
Other interest	8.7	0.4
	<b>182.8</b>	<b>91.5</b>

## 8. TAXATION

	52 weeks ended 27 April 2025 (£'m)	52 weeks ended 28 April 2024 (£'m)
Current tax	103.1	127.5
Adjustment in respect of prior periods	-	(8.9)
<b>Total current tax</b>	<b>103.1</b>	<b>118.6</b>
Deferred tax	(3.7)	(0.7)
Adjustment in respect of prior periods	(6.7)	(10.0)
<b>Total deferred tax</b>	<b>(10.4)</b>	<b>(10.7)</b>
	<b>92.7</b>	<b>107.9</b>
Profit before taxation - continuing operations	379.4	501.0
Profit/(loss) before taxation - discontinued operations	6.3	(6.5)
<b>Total profit before taxation</b>	<b>385.7</b>	<b>494.5</b>
Taxation at the standard rate of tax in the UK of 25% (2024: 25%)	96.4	123.6
Non-taxable income	(25.5)	(23.5)
Expenses not deductible for tax purposes	34.6	34.3

Other tax adjustments	(6.1)	(7.6)
Adjustments in respect of prior periods - current tax	-	(8.9)
Adjustments in respect of prior periods - deferred tax	(6.7)	(10.0)
	<b>92.7</b>	<b>107.9</b>
Tax charge - continuing operations	92.7	107.9
Tax charge - discontinued operations	-	-
<b>Total tax charge</b>	<b>92.7</b>	<b>107.9</b>

Expenses not deductible for tax purposes largely relates to non-qualifying depreciation and impairments not qualifying for tax allowances and current year losses where no taxation credit is recognised. Non-taxable income largely relates to impairment reversals, gains on disposal of subsidiaries and fair value gain on investment properties.

## 9. EARNINGS PER SHARE FROM TOTAL AND CONTINUING OPERATIONS ATTRIBUTABLE TO THE EQUITY SHAREHOLDERS

Basic earnings per share is calculated by dividing the earnings attributable to ordinary shareholders of the parent by the weighted average number of ordinary shares outstanding during the year.

For diluted earnings per share, the weighted average number of shares, 432,929,122 (FY24: 438,504,703), is adjusted to assume conversion of all dilutive potential ordinary shares under the Group's share schemes, being nil (FY24: nil), to give the diluted weighted average number of shares of 432,929,122 (FY24: 438,504,703). There is therefore no difference between the Basic and Diluted EPS calculations for both periods. Shares bought back into treasury are deducted when calculating the weighted average number of shares below.

### Basic and Diluted Earnings Per Share

	52 weeks ended 27 April 2025	52 weeks ended 27 April 2025	52 weeks ended 27 April 2025	52 weeks ended 28 April 2024 (restated) <sup>(1)</sup>	52 weeks ended 28 April 2024 (restated) <sup>(1)</sup>	52 weeks ended 28 April 2024 (restated) <sup>(1)</sup>
	Basic and diluted, continuing operations (£'m)	Basic and diluted, discontinued operations (£'m)	Basic and diluted, total (£'m)	Basic and diluted, continuing operations (£'m)	Basic and diluted, discontinued operations (£'m)	Basic and diluted, total (£'m)
Profit for the period	285.8	6.3	292.1	387.3	(6.5)	380.8
	Number in thousands	Number in thousands	Number in thousands	Number in thousands	Number in thousands	Number in thousands
Weighted average number of shares	432,929	432,929	432,929	438,505	438,505	438,505
	Pence per share	Pence per share	Pence per share	Pence per share	Pence per share	Pence per share
Earnings per share	66.0	1.5	67.5	88.3	(1.5)	86.8

(1) Restated to reflect the change in entities classified as discontinued operations and reclassification of carriage income. Please refer to note 1 for further information.

### Adjusted Earnings Per Share

The adjusted earnings per share reflects the underlying performance of the business compared with the prior period and is calculated by dividing adjusted earnings by the weighted average number of shares for the period. Adjusted earnings is used by management as a measure of profitability within the Group. Adjusted earnings is defined as profit for the period attributable to equity holders of the parent for each financial period but excluding the post-tax effect of certain non-trading items. Tax has been calculated with reference to the effective rate of tax for the Group.

The Directors believe that the adjusted earnings and adjusted earnings per share measures provide additional useful information for shareholders on the underlying performance of the business and are consistent with how business performance is measured internally. Adjusted earnings is not a recognised profit measure under IFRS and may not be directly comparable with adjusted profit measures used by other companies.

	52 weeks ended 27 April 2025	52 weeks ended 27 April 2025	52 weeks ended 28 April 2024	52 weeks ended 28 April 2024
	Basic (£'m)	Diluted (£'m)	Basic (£'m)	Diluted (£'m)
<b>Profit for the period</b>	<b>292.1</b>	<b>292.1</b>	<b>380.8</b>	<b>380.8</b>
Pre-tax adjustments to profit for the period for the following items:				
Fair value adjustment to derivatives included within finance (income)/costs	46.8	46.8	(27.6)	(27.6)
Fair value losses and loss on disposal of equity derivatives	141.6	141.6	68.9	68.9
Realised foreign exchange gains	(14.7)	(14.7)	(14.4)	(14.4)
Share based payments	0.8	0.8	23.4	23.4
Tax adjustments on the above items	(41.9)	(41.9)	(11.0)	(11.0)

<b>Adjusted profit for the period</b>	<b>424.7</b>	<b>424.7</b>	<b>420.1</b>	<b>420.1</b>
	<b>Number in thousands</b>	<b>Number in thousands</b>	<b>Number in thousands</b>	<b>Number in thousands</b>
Weighted average number of shares	432,929	432,929	438,505	438,505
	<b>Pence per share</b>	<b>Pence per share</b>	<b>Pence per share</b>	<b>Pence per share</b>
Adjusted Earnings per share	98.1	98.1	95.8	95.8

## 10. DISCONTINUED OPERATIONS AND SALE OF SUBSIDIARIES

### Discontinued operations – Game Spain

On 19 March 2025, the Group sold Game Spain by way of selling the entire share capital of Game Spain Iberia, SL to Guidebridge Opportunities 4, S.L. following approval from the competition authority. Cash consideration for the sale amounted to EUR 25m, with EUR 15m (£12.7m) being received upon completion a further EUR 10m (approx. £7.0m) being paid in two €5m instalments in FY26 and FY27, respectively.

In accordance with IFRS 5.32, management considered that Game Spain constituted a separate major line of business that had been disposed of and that it therefore met the criteria to be classified as a discontinued operation. A loss on disposal of £11.8m was recognised in the consolidated income statement in the current year.

	<b>52 weeks ended 27 April 2025 (£'m)</b>
Total disposal consideration	19.7
Carrying amount of net assets disposed of	(31.5)
<b>Loss on disposal after income tax</b>	<b>(11.8)</b>
	<b>29 April 2024 to 19 March 2025 (£'m)</b>
Revenue	223.5
Expenses	(218.6)
<b>Profit after tax of discontinued operation</b>	<b>4.9</b>
Loss on disposal	(11.8)
<b>Loss from discontinued operation</b>	<b>(6.9)</b>
Net cash inflow from operating activities	3.9
Net cash inflow from investing activities	6.0
Net cash outflow from financing activities	(4.9)
<b>Net increase in cash and cash equivalents generated by the discontinued operation</b>	<b>5.0</b>

The carrying amounts of assets and liabilities at the date of disposal on 19 March 2025 were as follows:

	<b>(£'m)</b>
Tangible assets	0.8
Inventories	38.8
Trade and other receivables	7.5
Cash and cash equivalents	6.3
Deferred tax asset	0.7
Corporation tax	2.6
<b>Total assets</b>	<b>56.7</b>
Trade and other payables	(18.8)
Provisions	(6.4)
<b>Total liabilities</b>	<b>(25.2)</b>

<b>Net assets of the disposal group</b>	<b>31.5</b>
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### Discontinued operations – Matches

On 20 December 2023, the Group acquired the Matches business (“Matches”) from MF Intermediate Limited, by way of the purchase of 100% of the shares of a group of 6 companies (of which MatchesFashion Limited was the main trading subsidiary) and the acquisition of the senior and junior debt owed by those companies. The consideration payable was £51.9m.

Following the acquisition, the Group provided significant funding to Matches but the business continued to generate material trading losses. As a result of this, management concluded that the funding requirements of the business would be far in excess of amounts that the Group considered to be viable and on 8 March 2024 administrators were appointed. From this point, the Group was no longer exposed to and no longer had rights to variable returns from Matches and lost its ability to influence these returns through its power over the entity. Therefore, in accordance with IFRS 10 Consolidated Financial Statements (“IFRS 10”) management concluded that it no longer had control over Matches.

### Details of the disposal

	<b>52 weeks ended 28 April 2024</b>
Total disposal consideration	74.7
Carrying amount of net assets disposed of	(78.8)
<b>Loss on disposal after income tax</b>	<b>(4.1)</b>

All amounts are attributable to the owners of the parent.

Total disposal consideration of £74.7m reflects loans due to the Group from Matches at the point of disposal, net of a provision for expected credit loss.

In the prior period, between the administrators’ appointment and 28 April 2024, the Group purchased the brand names and intellectual property of Matches for £20.0m, with the consideration payable being treated as a reduction in the amounts owed to the Group by Matches.

A first dividend of £30.0m was also received from the administrators prior to year-end leaving an outstanding balance of £24.7m at 28 April 2024, which was recorded within trade and other receivables.

In the current period, a further £14.3m has been received from the administrators over and above the £24.7m assumed at prior year-end, net of costs of £1.1m, resulting in a net gain of £13.2m. This gain is presented within the result from discontinued operations.

### Financial performance and cash flow information

	<b>52 weeks ended 27 April 2025 (£'m)</b>	<b>20 December 2023 to 28 April 2024 (£'m)</b>
Revenue	-	29.9
Expenses	-	(38.3)
<b>Loss after tax of discontinued operation</b>	<b>-</b>	<b>(8.4)</b>
Loss on disposal	-	(4.1)
Further dividends received from administrators	13.2	-
<b>Gain/(loss) from discontinued operation</b>	<b>13.2</b>	<b>(12.5)</b>
Net cash outflow from operating activities	-	(9.1)
Net cash outflow from investing activities	-	(5.3)
Net cash inflow from financing activities*	13.2	-
<b>Net increase/(decrease) in cash generated by the discontinued operation</b>	<b>13.2</b>	<b>(14.4)</b>

\*Dividend received reflects repayment of secured debt.

The carrying amounts of assets and liabilities at the date of disposal on 8 March 2024 were as follows:

	<b>(£'m)</b>
Goodwill	1.9
Intangible assets	20.0
Inventories	73.9
Trade and other receivables	34.9
Cash and cash equivalents	20.0
<b>Total assets</b>	<b>150.7</b>

Trade and other payables	(45.8)
Provisions	(12.3)
Lease liabilities	(13.8)
<b>Total liabilities</b>	<b>(71.9)</b>
<b>Net assets of the disposal group</b>	<b>78.8</b>

#### Disposal of subsidiaries

The current year result includes a £4.3m gain on disposal of subsidiaries which reflects small gains from the disposal non-core subsidiaries and intellectual property (such as Karrimor Japan and Nicholas Deakins), none of which warranted separate presentation as discontinued operations. Total consideration received in this regard was approximately £12m.

In the prior period the Group sold certain intellectual property assets relating to Missguided for net consideration of approximately £25.0m.

#### 11. PROPERTY, PLANT AND EQUIPMENT

	Right of use assets	Freehold land and Buildings	Long-term Leaseholds	Short-term leasehold improvements	Plant and Equipment	Total
	(£'m)	(£'m)	(£'m)	(£'m)	(£'m)	(£'m)
<b>COST</b>						
<b>At 30 April 2023</b>	<b>736.6</b>	<b>926.6</b>	<b>143.7</b>	<b>126.5</b>	<b>1,231.9</b>	<b>3,165.3</b>
Additions	81.3	15.5	6.8	-	169.4	273.0
Eliminated on disposals	(75.1)	(16.5)	(2.1)	(14.7)	(96.0)	(204.4)
Reclassifications / Remeasurements	15.2	(83.9)	(3.0)	-	(10.6)	(82.3)
Exchange differences	(2.6)	(3.3)	(0.4)	(0.5)	(5.2)	(12.0)
<b>At 28 April 2024</b>	<b>755.4</b>	<b>838.4</b>	<b>145</b>	<b>111.3</b>	<b>1,289.5</b>	<b>3,139.6</b>
Acquisitions	19.1	0.8	9.1	-	-	29.0
Additions	108.9	55.4	9.7	-	178.6	352.6
Eliminated on disposals	(101.9)	(12.0)	(8.9)	-	(36.6)	(159.4)
Reclassifications / Remeasurements	23.3	14.4	2.2	-	(0.4)	39.5
Exchange differences	(6.5)	(2.9)	1.7	(0.2)	46.1	38.2
<b>At 27 April 2025</b>	<b>798.3</b>	<b>894.1</b>	<b>158.8</b>	<b>111.1</b>	<b>1,477.2</b>	<b>3,439.5</b>
<b>ACCUMULATED DEPRECIATION AND IMPAIRMENT</b>						
<b>At 30 April 2023</b>	<b>(508.8)</b>	<b>(467.0)</b>	<b>(63.3)</b>	<b>(124.3)</b>	<b>(869.9)</b>	<b>(2,033.3)</b>
Charge for the period	(83.2)	(17.4)	(17.4)	(0.1)	(164.7)	(282.8)
(Impairment)/reversal	5.2	6.8	(6.7)	-	(19.8)	(14.5)
Eliminated on disposals	75.1	4.4	3.0	14.1	32.0	128.6
Reclassifications / Remeasurements	(3.4)	12.7	(3.7)	0.2	8.9	14.7
Exchange differences	5.1	0.6	0.2	0.4	4.0	10.3
<b>At 28 April 2024</b>	<b>(510.0)</b>	<b>(459.9)</b>	<b>(87.9)</b>	<b>(109.7)</b>	<b>(1,009.5)</b>	<b>(2,177.0)</b>
Charge for the period	(89.6)	(32.1)	(6.3)	-	(143.9)	(271.9)
(Impairment)/reversal	6.2	2.7	0.7	-	-	9.6
Eliminated on disposals	101.3	4.2	0.6	-	32.8	138.9
Reclassifications / Remeasurements	-	2.2	-	-	0.3	2.5
Exchange differences	2.4	3.5	(2.6)	0.2	(47.9)	(44.4)
<b>At 27 April 2025</b>	<b>(489.7)</b>	<b>(479.4)</b>	<b>(95.5)</b>	<b>(109.5)</b>	<b>(1,168.2)</b>	<b>(2,342.3)</b>
<b>NET BOOK VALUE</b>						
<b>At 27 April 2025</b>	<b>308.6</b>	<b>414.7</b>	<b>63.3</b>	<b>1.6</b>	<b>309.0</b>	<b>1,097.2</b>
<b>At 28 April 2024</b>	<b>245.4</b>	<b>378.5</b>	<b>57.1</b>	<b>1.6</b>	<b>280.0</b>	<b>962.6</b>

## 12. INVESTMENT PROPERTIES

### Freehold land and Buildings

	(£'m)
<b>Fair value at 30 April 2023</b>	<b>160.0</b>
Lease liabilities on ground leases brought forward	(18.7)
Direct acquisitions	99.2
Less right-of-use asset additions	(23.7)
Transfer from property, plant and equipment - at fair value	79.4
Net gain from fair value adjustment on investment properties	11.5
<b>Market value per valuation report</b>	<b>307.7</b>
Lease liabilities on ground leases	42.8
<b>Fair value at 28 April 2024</b>	<b>350.5</b>
Lease liabilities on ground leases brought forward	(42.8)
Direct acquisitions	168.9
Capitalised subsequent expenditure	3.7
Less right-of-use asset additions	(4.6)
Transfer from property, plant and equipment - at fair value	6.2
Net gain from fair value adjustment on investment properties	13.1
Transfer to property, plant and equipment – at fair value	(25.0)
Disposals	(4.0)
<b>Market value per valuation report</b>	<b>466.0</b>
Lease liabilities on ground leases	47.3
<b>Fair value at 27 April 2025</b>	<b>513.3</b>

The rental income from Investment Properties recognised in the consolidated income statement for the year was £44.7m (FY24: £38.7m).

### Valuation processes

The Group's investment properties were valued as at 27 April 2025 by the Group's internal property team who are appropriately qualified chartered surveyors, follow the applicable valuation methodology of the Royal Institute of Chartered Surveyors, and have recent experience in the locations and segments of the investment properties valued. For all investment properties, their current use equates to the highest and best use. The Group's finance department includes a team that reviews the valuations performed by the property team for financial reporting purposes. This team reports directly to the Chief Financial Officer (CFO) and the Audit Committee (AC). Discussions of valuation processes and results are held between the finance department and the property team in August and February each year, and as part of the year-end process.

At each financial discussion, the finance department verifies all major inputs to the valuation report and assesses property valuation movements when compared to the previous valuation report.

### Measurement of fair value of investment property

Properties valued by the Group's internal property team are valued on an open market basis based on active market prices adjusted for any differences in the nature, location or condition of the specified asset such as plot size, encumbrances and current use. If this information is not available, alternative valuation methods are used such as recent prices on less active markets, or discounted cashflow projections. The significant unobservable input is the adjustment for factors specific to the properties in question. The extent and direction of this adjustment depends on the number and characteristics of the observable market transactions in similar properties that are used as the starting point for the valuation. Although this input is a subjective judgement, management consider that the overall valuation would not be materially altered by any reasonable alternative assumptions. All of the valuations across the Group's investment property are considered to be level 3 fair values.

The market value of the investment properties has been supported by comparison to that produced under income capitalisation techniques applying yield and estimated rental values as key unobservable inputs. The range of yield applied is 6.7% to 18.0%.

The fair value of an investment property reflects, among other things, rental income from current leases and assumptions about future rental lease income based on current market conditions and anticipated plans for the property

The table below summarises the key unobservable inputs used in the valuation of the Group's investment properties at 27 April 2025:

	Estimated rental value £ per sq ft	Yield %
High	61.6	18.0%
Average	16.2	10.4%
Low	10.8	6.7%

### Sensitivities

The sensitivities below illustrate the impact of changes in key unobservable inputs (in isolation) on the fair value of the Group's properties:

Market value £m	Impact on valuations of 5% change in estimated rental value		Impact on valuations of 50 bps change in yield	
	Increase £m	Decrease £m	Decrease £m	Increase £m
466.0	18.3	(18.3)	16.2	(14.5)

### 13. INTANGIBLE ASSETS

	Goodwill (£'m)	Trademarks and licenses (£'m)	Brands (£'m)	Customer related (£'m)	Total (£'m)
<b>COST</b>					
<b>At 30 April 2023</b>	<b>214.7</b>	<b>101.8</b>	<b>88.8</b>	<b>5.7</b>	<b>411.0</b>
Acquisitions	4.2	20.0	-	-	24.2
Additions	-	25.0	-	-	25.0
Disposals	(1.9)	(20.0)	-	-	(21.9)
Exchange adjustments	-	(0.1)	0.3	-	0.2
<b>At 28 April 2024</b>	<b>217.0</b>	<b>126.7</b>	<b>89.1</b>	<b>5.7</b>	<b>438.5</b>
Acquisitions	20.5	0.8	-	-	21.3
Disposals	(6.0)	(14.2)	-	-	(20.2)
Exchange adjustments	(6.4)	(0.5)	(4.7)	-	(11.6)
<b>At 27 April 2025</b>	<b>225.1</b>	<b>112.8</b>	<b>84.4</b>	<b>5.7</b>	<b>428.0</b>
<b>AMORTISATION AND IMPAIRMENT</b>					
<b>At 30 April 2023</b>	<b>(204.8)</b>	<b>(97.9)</b>	<b>(78.5)</b>	<b>(5.7)</b>	<b>(386.9)</b>
Amortisation charge	-	(0.5)	(1.3)	-	(1.8)
Impairment	(2.3)	(4.6)	-	-	(6.9)
Disposals	-	-	-	-	-
Exchange adjustments	-	(0.4)	(0.3)	-	(0.7)
<b>At 28 April 2024</b>	<b>(207.1)</b>	<b>(103.4)</b>	<b>(80.1)</b>	<b>(5.7)</b>	<b>(396.3)</b>
Amortisation charge	-	(2.0)	(1.5)	-	(3.5)
Disposals	6.0	13.4	-	-	19.4
Exchange adjustments	6.4	0.4	4.1	-	10.9
<b>At 27 April 2025</b>	<b>(194.7)</b>	<b>(91.6)</b>	<b>(77.5)</b>	<b>(5.7)</b>	<b>(369.5)</b>
<b>At 27 April 2025</b>	<b>30.4</b>	<b>21.2</b>	<b>6.9</b>	<b>-</b>	<b>58.5</b>
<b>At 28 April 2024</b>	<b>9.9</b>	<b>23.3</b>	<b>9.0</b>	<b>-</b>	<b>42.2</b>

Amortisation is charged to selling, distribution and administrative expenses in the Consolidated Income Statement.

Goodwill, trademarks and licenses and brands that are acquired in a business combination are allocated, at acquisition, to the CGUs that are expected to benefit from that business combination. After recognition of impairment losses, the carrying amount of these assets at the start and end of the current period are allocated as follows:

27 April 2025

	Goodwill (£'m)	Trademarks and licenses (£'m)	Brands (£'m)	Total (£'m)
Wholesale & Licensing (excl. Everlast)	9.9	-	-	9.9
Everlast	-	2.5	6.9	9.4
Matches	-	18.7	-	18.7
Twin Sport	20.5	-	-	20.5
	<b>30.4</b>	<b>21.2</b>	<b>6.9</b>	<b>58.5</b>

28 April 2024

	Goodwill (£'m)	Trademarks and licenses (£'m)	Brands (£'m)	Total (£'m)
Wholesale & Licensing (excl. Everlast)	9.9	-	-	9.9
Everlast	-	3.0	9.0	12.0
Matches	-	20.0	-	20.0
	<b>9.9</b>	<b>23.0</b>	<b>9.0</b>	<b>41.9</b>

### Acquisitions

In the current period, goodwill and trademarks with a fair value of £21.3m (FY24: £24.2m) were recognised as part of business combinations, with £21.3m relating to the Twin Sport acquisition.

In the prior year, the goodwill and trademarks recognised in respect of Matches were derecognised once the business went into administration on 8 March 2024.

### Additions

In the prior period, the Group purchased the brand names and intellectual property of Matches for £20.0m. The assets acquired were assumed to have a useful economic life of 15 years. Management does not consider that there was any indicator of impairment at the reporting date.

### Amortisation

The brands, trademarks & licenses allocated to the Everlast CGU are being amortised over a 15-year period. The amortisation charge in the current period is £1.5m (FY24: £1.3m) and is disclosed within selling, distribution and administrative expenses in the Consolidated Income Statement. The remaining useful economic life of these assets is 9 years (FY24: 10 years).

### Impairment review

The Group tests the carrying amount of goodwill and intangible assets with an indefinite life for impairment annually or more frequently if there are indications that their carrying value might be impaired. The carrying amounts of other intangible assets are reviewed for impairment if there is an indicator of impairment.

The recoverable amounts of the Wholesale & Licensing (excl. Everlast), Everlast and Twin Sport CGUs have been determined by reference to value in use calculations. The recoverable amounts were then compared to the carrying value of the assets allocated to each CGU to assess the level impairment required, if any.

No impairment testing was performed on the intellectual property purchased from Matches due to the absence of any indicator.

### Significant judgements, assumptions, and estimates

In determining the value in use of CGUs it is necessary to make a series of assumptions to estimate the present value of future cash flows. In each case, these key assumptions have been made by management reflecting past experience, current trends, and where applicable, are consistent with relevant external sources of information. The key assumptions are as follows:

	27 April 2025			28 April 2024	
	Wholesale & Licensing (excl. Everlast)	Everlast	Twin Sport	Wholesale & Licensing (excl. Everlast)	Everlast
5-year average annual forecast sales growth/(decline)	(1.0%)	1.5%	5.2%	(1.7%)	(1.8%)
Discount rate	10.9%	13.0%	10.9%	9.8%	13.5%
Annual % increase/(decrease) in operating costs	0.0%	(3.3%)	1.6%	0.0%	0.0%
Terminal growth rate	1.1%	1.8%	1.4%	2.0%	2.0%

Management has prepared cash flow forecasts for a five-year period derived from the actual results for financial year 2024/25. These forecasts include assumptions around sales prices and volumes, specific customer relationships and operating costs and working capital movements.

The average rate of annual sales growth forecast for the Everlast CGU of 1.5% pa is an improvement on the 1.8% pa decline in the prior year and is reflective of management's latest view of the business' prospects in the medium-term due to current restructuring underway.

The pre-tax rates used to discount the forecast cash flows are shown above and are derived from the Group's weighted average cost of capital as adjusted for the specific risks related to each CGU.

Overhead costs in the Everlast CGU have been assumed to decrease (FY24: flat) throughout the forecast period on the basis that inflationary cost increases will be offset by operational efficiencies due to current restructuring underway.

To forecast beyond the detailed cash flows into perpetuity, a long-term average growth rate of 1.1% for the Wholesale & Licensing (excluding Everlast) CGU (FY24: 2.0%), 1.8% for the Everlast CGU (FY24: 2.0%) and 1.4% for the Twin Sport CGU has been used. This is not greater than the published International Monetary Fund average growth rate in gross domestic product for the next five-year period in the territories where the CGUs operate.

### Results

The recoverable amount of the Wholesale & Licensing (excluding Everlast) CGU exceeds its carrying value by approximately £71.8m (FY24: £72.7m) and as such no impairment was required.

The recoverable amount of the Everlast CGU exceeds its carrying value by approximately £5.3m (FY24: £9.0m) and as such no impairment was required.

The recoverable amount of the Twin Sport CGU exceeds its carrying value by approximately £7.9m and as such no impairment was required.

### Sensitivity Analysis

The table below shows changes to the terminal growth rate, risk adjusted discount rate and forecast operating cash flow assumptions used in the calculation of value in use for the Everlast and Twin Sport CGUs to make recoverable amount of CGU equal to its carrying value:

	<b>Everlast</b>	<b>Twin Sport</b>
Value in use	£31.4m	£36.7m
Current headroom	£5.3m	£7.9m
<i><u>Change in key assumption required to make recoverable amount of CGU equal to its carrying value</u></i>		
Current Terminal Growth Rate	1.8%	1.4%
Revised Terminal Rate of Decline	(0.7%)	(1.8%)
Current Discount Rate	13.0%	10.9%
Revised Discount Rate	15.2%	13.9%
Current 5-year average annual forecast sales growth	1.0%	5.7%
Revised 5-year average annual forecast sales decline	(5.5%)	(6.4%)
Current annual % decrease in operating costs	(3.3%)	(1.2%)
Revised annual % increase in operating costs	3.6%	5.9%

Based on the results of the impairment test for the Wholesale & Licensing (excluding Everlast) CGU and the immaterial carrying value of the remaining goodwill, management are satisfied that there is sufficient headroom against the carrying value such that a reasonably possible change in assumption would not lead to an impairment. Consequently, no sensitivity analysis has been disclosed for this CGU.

### Climate Change

Management considered the impact of climate change when conducting its impairment review and concluded that it was unlikely to have a material impact on the assumptions based on the following:

- The relevant tangible assets have relatively short useful economic lives and are not considered to be in locations that will be materially impacted by climate change (i.e., they are in the USA and the Netherlands – developed countries).
- The forecasts include estimates for ongoing capital expenditure, which management consider to be sufficient to make any essential climate change related acquisitions (e.g., solar panels or building energy management systems).

## 14. LONG-TERM FINANCIAL ASSETS

The Group is not looking to make gains through increases in market prices of its long-term financial assets, therefore on initial application of IFRS 9 the Group made the irrevocable election to account for long term financial assets at fair value through other comprehensive income (FVOCI). The election has been made on an instrument-by-instrument basis, only qualifying dividend income is recognised in profit and loss, changes in fair value are recognised within OCI and never reclassified to profit and loss, even if the asset is impaired, sold or otherwise derecognised. All of the Group's long-term financial assets are recognised in the UK Sports segment.

The fair value of the long-term financial assets is based on bid quoted market prices at the balance sheet date or where market prices are not available, at management's estimate of fair value.

The following table shows the aggregate movement in the Group's financial assets during the period:

	27 April 2025	28 April 2024
	(£'m)	(£'m)
At beginning of period	495.4	289.6
Additions	740.2	382.6
Disposals	(126.9)	(133.3)
Amounts recognised through other comprehensive income	(149.6)	(43.7)
Exchange differences	-	0.2
	<b>959.1</b>	<b>495.4</b>

Included within long-term financial assets at the period ended 27 April 2025 are the following direct interests held by the Group:

- 40.83% (FY24: 31.1%) interest in XXL ASA
- 37.05% (FY24: 36.9%) interest in Mulberry Group Plc
- 29.7% (FY24: 22.7%) interest in Boohoo Group Plc
- 25.12% (FY24: 24.5%) interest in AO World Plc
- 21.95% (FY24: 20.2%) interest in ASOS Plc
- 19.25% (FY24: 0.99%) interest in Hugo Boss AG
- 14.57% (FY24: Nil%) interest in Accent Group Ltd
- 11.17% (FY24: 0.6%) interest in THG Plc
- 10.75% (FY24: 1.24%) interest in Marks Electrical Group Plc
- 9.68% (FY24: 9.3%) interest in Hornby Plc
- Various other interests, none of which represent more than 5.0% of the voting power of the investee

The following table shows the fair value of each of the Group's long-term financial assets (all listed):

	27 April 2025	28 April 2024
	(£'m)	(£'m)
Hugo Boss AG	413.7	30.6
AO World plc	138.5	150.1
Boohoo Group plc	94.6	98.4
ASOS plc	76.9	83.1
Accent Group Ltd	71.4	-
THG plc	44.4	0.5
Mulberry Group plc	21.5	23.8
XXL ASA	21.2	31.9
Marks Electrical Group plc	6.5	0.9
Hornby plc	2.4	5.2
N Brown Group plc	-	13.4
Currys plc	-	46.1
Other	68.0	11.4
At end of period	<b>959.1</b>	<b>495.4</b>

\*Other relates to interests which do not represent more than 5.0% of the voting power of the investee as at 27 April 2025.

During the period the Group disposed of long-term financial assets with a fair value of £126.9m. These primarily relate to its holdings in Currys plc and N Brown Group plc. In both cases, the Group explored commercial relationship with the investee's management and, following the completion of such discussions, was willing to divest at a price that was considered to be advantageous.

These holdings have been assessed under IFRS 9 Financial Instruments and categorised as long-term financial assets, as the Group does not consider them to be associates and therefore, they are not accounted for on an equity basis, see note 2.

Our strategic investments are intended to allow us to develop relationships and commercial partnerships with the relevant retailers and brands.

## 15. TRADE AND OTHER RECEIVABLES

	27 April 2025 (£'m)	28 April 2024 (£'m)
Gross credit customer receivables	254.9	286.9
Allowance for expected credit loss on credit customer receivables	(73.2)	(80.7)
<b>Net credit customer receivables</b>	<b>181.7</b>	<b>206.2</b>
Trade receivables	64.9	91.6
Deposits in respect of derivative financial instruments	522.7	139.0
Amounts owed by related parties	7.3	6.6
Other receivables	64.2	128.1
Prepayments	87.0	103.4
	<b>927.8</b>	<b>674.9</b>

Further disclosure with regards to the credit customer receivables and the associated allowance for expected credit loss can be found at the end of this note.

### Trade and other receivables

The Directors consider that the carrying amount of trade and other receivables approximates to their fair value. The maximum exposure to credit risk at the reporting date is the carrying value of each class of asset above, plus any cash balances. Other receivables also include unremitted sales receipts.

Deposits in respect of derivative financial instruments are collateral to cover margin requirements for derivative transactions held with counterparties. The collateral requirement changes with the market (which is dependent on share price, time to maturity, and volatility), the financial institutions' assessment of the Group's creditworthiness and further purchases / sales of underlying investments held. The balance has increased from £139.0m at 28 April 2024 to £522.7m at 27 April as a result of a combination of the factors above and an increase in the Group's open option positions at 27 April 2025.

The majority of the Group's trade receivables are held within the Wholesale & Licensing businesses. Each customer's creditworthiness is assessed before payment terms are agreed.

Under IFRS 9, the Group has applied the simplified approach to providing for expected credit losses for trade receivables, using the lifetime expected loss provision for all trade receivables. To measure the expected credit losses, trade receivables have been grouped based on credit risk characteristics, representing management's view of the risk, and the days past due. The credit quality of assets neither past due nor impaired is considered to be good. The Group considers a debt to be defaulted at the point when no further amounts are expected to be recovered. Financial assets are written off when there is no reasonable expectation of recovery. If recoveries are subsequently made after receivables have been written off, they are recognised in profit or loss.

The amounts owed by related parties mostly relates to the group headed by Four (Holdings) Limited.

Exposure to credit risk of trade receivables:

	27 April 2025 (£'m)	28 April 2024 (£'m)
Current	19.7	53.7
0-30 days past due	14.3	14.9
30-60 days past due	8.7	4.7
60-90 days past due	3.2	3.3
Over 90 days past due	19.0	15.0
	<b>64.9</b>	<b>91.6</b>

The credit quality of assets neither past due nor impaired is considered to be good.

The movement in loss allowance relating to trade receivables and amounts owed by related parties can be analysed as follows:

	52 weeks ended 27 April 2025 (£'m)	52 weeks ended 28 April 2024 (£'m)
Opening position	72.8	83.6
Amounts charged to the income statement	6.9	14.3
Amounts written off as uncollectable	(0.1)	(17.6)
Amounts recovered during the period	(20.5)	(7.5)
<b>Closing position</b>	<b>59.1</b>	<b>72.8</b>

Included in the below table is the loss allowance movement in amounts due from related parties as follows:

	52 weeks ended 27 April 2025 (£'m)	52 weeks ended 28 April 2024 (£'m)
Opening position	37.6	44.0
Amounts (credited)/charged to income statement	(5.3)	4.6
Amounts written off as uncollectable	-	(3.5)
Amounts recovered during the period	-	(7.5)
<b>Closing position</b>	<b>32.3</b>	<b>37.6</b>

The gross carrying amount of the balance due from related parties is £38.7m (FY24: £44.0m). The charge in the period was recorded in Selling, distribution and administrative expenses. £23.5m of the gross amounts due from related parties balance is due in less than one year with the remaining being due in more than a one year (FY24: £21.5m due less than one year).

The Group has no significant concentration of credit risk, with exposure spread over a large number of customers. The loss allowance / charges have been determined by reference to past default experience, current / forecasted trading performance and future economic conditions.

Deposits in respect of derivative financial instruments and prepayments are not considered to be impaired.

#### Credit Customer Receivables

Certain of the Group's trade receivables are funded through a securitisation facility that is secured against those receivables. The finance provider will seek repayment of the finance, as to both principal and interest, only to the extent that collections from the trade receivables financed allows and the benefit of additional collections remains with the Group. At the period end, receivables of £187.1m (FY24: £201.3m) were eligible to be funded via the securitisation facility, and the facilities utilised were £93.5m (FY24: £126.8m).

#### Other information

The Group will undertake a reasonable assessment of the creditworthiness of a customer before opening a new credit account or significantly increasing the credit limit on that credit account. The Group will only offer credit limit increases for those customers that can reasonably be expected to be able to afford and sustain the increased repayments in line with the affordability and creditworthiness assessment. There are no customers (FY24: None) who represent more than 1% of the total balance of the Group's trade receivables.

Where appropriate, the Group will offer forbearance to allow customers reasonable time to repay the debt. The Group will ensure that the forbearance option deployed is suitable in light of the customer's circumstances (paying due regard to current and future personal and financial circumstances). Where repayment plans are agreed, the Group will ensure that these are affordable to the customer and that unreasonable or unsustainable amounts are not requested. At the balance sheet date there were 30,151 accounts (FY24: 25,170) with total gross balances of £18.0m (FY24: £16.6m) on repayment plans. Provisions are assessed as detailed above.

During the current period, overdue receivables with a gross value of £28.4m (FY24: £35.6m) were sold to third party debt collection agencies. As a result of the sales, the contractual rights to receive the cash flows from these assets were transferred to the purchasers. Any gain or loss between actual recovery and expected recovery is reflected within the impairment charge.

#### Allowance for expected credit loss

The following tables provide information about the exposure to credit risk and ECLs for trade receivables from individual customers as at 27 April 2025:

	27 April 2025			28 April 2024		
	Trade receivables	Trade receivables on forbearance arrangements	Total	Trade receivables	Trade receivables on forbearance arrangements	Total
	(£'m)	(£'m)	(£'m)	(£'m)	(£'m)	(£'m)
<b>Ageing of trade receivables</b>						
Not past due	178.2	16.4	194.6	206.7	15.7	222.4
Past due:						
0 - 60 days	23.7	1.3	25.0	22.0	0.9	22.9
60 - 120 days	7.5	0.2	7.7	9.3	-	9.3
120+ days	27.5	0.1	27.6	32.3	-	32.3
<b>Gross trade receivables</b>	<b>236.9</b>	<b>18.0</b>	<b>254.9</b>	<b>270.3</b>	<b>16.6</b>	<b>286.9</b>
Allowance for expected credit loss	(61.7)	(11.5)	(73.2)	(69.0)	(11.7)	(80.7)
<b>Carrying value</b>	<b>175.2</b>	<b>6.5</b>	<b>181.7</b>	<b>201.3</b>	<b>4.9</b>	<b>206.2</b>

#### 29 April 2024 to 27 April 2025

	Stage 1	Stage 2	Stage 3	Total
	(£'m)	(£'m)	(£'m)	(£'m)
<b>Gross trade receivables</b>	<b>157.6</b>	<b>43.4</b>	<b>53.9</b>	<b>254.9</b>

Allowance for doubtful debts:

Opening balance	(17.7)	(18.9)	(44.1)	(80.7)
Impairment charge	-	(6.3)	(18.2)	(24.5)
Utilisation in period	6.0	7.9	18.1	32.0
<b>Closing balance</b>	<b>(11.7)</b>	<b>(17.3)</b>	<b>(44.2)</b>	<b>(73.2)</b>
<b>Carrying value</b>	<b>145.9</b>	<b>26.1</b>	<b>9.7</b>	<b>181.7</b>

**1 May 2023 to 28 April 2024**

	<b>Stage 1 (£'m)</b>	<b>Stage 2 (£'m)</b>	<b>Stage 3 (£'m)</b>	<b>Total (£'m)</b>
<b>Gross trade receivables</b>	<b>185.6</b>	<b>47.3</b>	<b>54.0</b>	<b>286.9</b>
Allowance for doubtful debts:				
Opening balance	(17.2)	(37.2)	(45.7)	(100.1)
Impairment (charge)/release	(6.9)	5.0	(19.9)	(21.8)
Utilisation in period	6.4	13.3	21.5	41.2
<b>Closing balance</b>	<b>(17.7)</b>	<b>(18.9)</b>	<b>(44.1)</b>	<b>(80.7)</b>
<b>Carrying value</b>	<b>167.9</b>	<b>28.4</b>	<b>9.9</b>	<b>206.2</b>

Analysis of impairment charge:

	<b>29 April 2024 to 27 April 2025 (£'m)</b>	<b>1 May 2023 to 28 April 2024 (£'m)</b>
Impairment charge impacting on provision	(24.5)	(21.8)
Recoveries	4.8	9.5
Other	(2.4)	(8.3)
<b>Impairment charge</b>	<b>(22.1)</b>	<b>(20.6)</b>

*Sensitivity analysis*

Management judgement is required in setting assumptions around probabilities of default, cash recoveries and the weighting of macro-economic scenarios applied to the impairment model, which have a material impact on the results indicated by the model.

A 1% increase/decrease in the probability of default would increase/decrease the provision amount by approximately £3.8m

A 1% increase in the assumed recoveries rate would result in the impairment provision decreasing by approximately £3.1m.

Changing the weighting of macro-economic scenarios to a more positive outlook so that the severe-case scenario's weighting is reduced to 5% and base increased by 5% to 55% (with upside increasing by 5% to 10% and downside remaining at 30%) would result in the impairment provision reducing by approximately £1.2m.

## 16. BORROWINGS

	27 April 2025 (£'m)	28 April 2024 (£'m)
Current:		
Bank and other loans*	75.0	-
Lease liabilities	109.6	112.5
Non-Current		
Bank and other loans	1,118.2	806.2
Lease liabilities	558.2	533.8
	<b>1,861.0</b>	<b>1,452.5</b>

\* Relates to bilateral loan facilities maturing in less than 12 months.

An analysis of the Group's total borrowings other than bank overdrafts is as follows:

	27 April 2025 (£'m)	28 April 2024 (£'m)
Borrowings - sterling	1,193.2	806.2

The Group refinanced its term loan and revolving credit facilities on 2 July 2025. As a result, no covenants will be tested in respect of the period ended 27 April 2025.

Group borrowings (excluding Frasers Group Financial Services Limited) incurred interest at an average rate of 2.0% (FY24: 2.0%) over the interbank rate of the country within which the borrowing entity resides. The securitisation loan relating to Frasers Group Financial Services Limited had a balance at 27 April 2025 of £93.5m (FY24: £126.8m). The average interest rate paid on the securitisation loan was 6.98% (FY24: 7.02%).

### Reconciliation Of Liabilities Arising From Financing Activities

The changes in the Group's liabilities arising from financing activities can be classified as follows:

	Non-current borrowings (£'m)	Current borrowings (£'m)	Total (£'m)
<b>At 30 April 2023</b>	1,310.0	119.6	1,429.6
Cash-flows:			
- Borrowings drawn down	482.1	-	482.1
- Borrowings repaid	(425.6)	-	(425.6)
Lease liability:			
- IFRS 16 Lease Liabilities - cash-flows	-	(162.8)	(162.8)
- IFRS 16 Lease Liabilities - modifications/remeasurements, transfers from non-current to current, interest, and foreign exchange adjustments	(121.3)	133.3	12.0
- IFRS 16 Lease Liabilities - new leases	82.3	21.1	103.4
- IFRS 16 Lease Liabilities - acquired through business combinations	12.5	1.3	13.8
<b>At 28 April 2024</b>	<b>1,340.0</b>	<b>112.5</b>	<b>1,452.5</b>
Cash-flows:			
- Borrowings drawn down	1,404.5	75.0	1,479.5
- Borrowings repaid	(1,092.5)	-	(1,092.5)
Lease liability:			
- IFRS 16 Lease Liabilities - cash-flows	-	(142.0)	(142.0)
- IFRS 16 Lease Liabilities - modifications/remeasurements, transfers from non-current to current, interest, and foreign exchange adjustments	(81.1)	112.1	31.0
- IFRS 16 Lease Liabilities - new leases	86.4	27.0	113.4
- IFRS 16 Lease Liabilities - acquired through business combinations	19.1	-	19.1
<b>At 27 April 2025</b>	<b>1,676.4</b>	<b>184.6</b>	<b>1,861.0</b>

On 2 July 2025 the Group refinanced its existing borrowings and entered into a combined term loan and revolving credit facility ("RCF") of £3 billion for a period of three years, with the possibility to extend this by a further two years.

The Group continues to operate comfortably within its banking facilities and covenants and the Board remains comfortable with the Group's available headroom. The carrying amounts and fair value of the borrowings are not materially different.

#### Reconciliation of Net Debt:

	27 April 2025 (£'m)	28 April 2024 (£'m)
Borrowings	(1,861.0)	(1,452.5)
<b>Add back:</b>		
- Lease liabilities	667.8	646.3
Cash and cash equivalents	252.2	358.6
<b>Net debt</b>	<b>(941.0)</b>	<b>(447.6)</b>

#### 17. PROVISIONS

	Legal and regulatory (£'m)	Property related (£'m)	Financial services related (£'m)	Other (£'m)	Total (£'m)
<b>At 30 April 2023</b>	<b>123.5</b>	<b>166.7</b>	<b>16.0</b>	<b>0.3</b>	<b>306.5</b>
Acquired through business combinations	-	12.3	-	-	12.3
Amounts provided	24.1	38.5	1.6	2.7	66.9
Amounts utilised / reversed	(23.9)	(93.4)	(9.4)	-	(126.7)
<b>At 28 April 2024</b>	<b>123.7</b>	<b>124.1</b>	<b>8.2</b>	<b>3.0</b>	<b>259.0</b>
Amounts provided	3.7	30.0	0.5	3.8	38.0
Amounts utilised / reversed	(26.1)	(40.9)	(5.7)	(0.7)	(73.4)
<b>At 27 April 2025</b>	<b>101.3</b>	<b>113.2</b>	<b>3.0</b>	<b>6.1</b>	<b>223.6</b>

Financial services related and other provisions are categorised as current liabilities, while legal and regulatory and property related provisions are non-current.

##### *Legal and regulatory provisions*

Legal and regulatory provisions reflect management's best estimate of the potential costs arising from the settlement of outstanding disputes of a commercial and regulatory nature.

A substantial portion of the amounts provided relates to ongoing legal claims and non-UK tax enquiries. In accordance with IAS37.92, management have concluded that it would prejudice seriously the position of the Group to provide further specific disclosures in respect of amounts provided for legal claims and non-UK tax enquiries.

The timing of the outcome of legal claims and non-UK tax inquiries is dependent on factors outside the Group's control and therefore the timing of settlement is uncertain. After taking appropriate legal advice, the outcomes of these claims are not expected to give rise to material loss in excess of the amounts provided.

##### *Property related provisions*

Included within property related provisions are onerous lease provisions and provisions for dilapidations in respect of the Group's retail stores and warehouses. Further details of management's estimates are included in note 2.