

JD SPORTS FASHION PLC FY25 RESULTS

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JD Sports Fashion PLC

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RESILIENT PERFORMANCE AND CONTINUED STRONG CASH GENERATION

JD Sports Fashion Plc (the 'Group'), the leading global retailer of sports, fashion and outdoor brands, today announces its full year results for the 52 weeks ended 1 February 2025 (the 'period').

Commenting on the results, Régis Schultz, Chief Executive Officer of JD Sports Fashion Plc, said:

"We increased Group revenue on a constant currency basis by 12% with organic sales growth* of c.6%, more than double the market growth, thanks to our strong and agile, multi-brand model. We delivered a 48% gross margin, excluding the impact of acquisitions*, which was in line with the previous period due to our full price commercial strategy and strong trading discipline in a promotional market. We concluded two important acquisitions in our key strategic markets - Hibbett in the US and Courir in Europe - while we continued to invest in our infrastructure and controls environment. In constant currency, our operating profit* was ahead of last year and our operating cashflow was over £1.2bn, demonstrating our strong cash generation. We achieved Profit before tax and adjusting items* of £923m, in line with our January guidance.*

"In April, we announced we were adapting our strategy to reflect slower anticipated market growth and an increased focus on profitability, leveraging the investments we have made to support our growth in the key markets of North America and Europe,

delivering strong cash generation and improving returns to our shareholders.

"Our focus on increasing shareholder returns is demonstrated by paying FY25 dividends of £52m, up 11% on the previous period, and after the period end, the commencement of a £100m share buyback programme.

"Overall trading in the first quarter of the new financial year has been in line with our expectations in a volatile market. Despite this volatility, and uncertainty surrounding the impact of US tariff changes, we look forward into the medium term with confidence that we can continue to outperform the market, improve our profit margin and create significant value for our shareholders."

Performance summary

£m	52w to 1 Feb 2025	52w to 27 Jan 2024 restated ⁽¹⁾ (unaudited)	Change (52 v 52)	Constant currency change (52 v 52)
Revenue	11,458	10,397	10.2%	12.0%
Gross margin before adjusting items*	47.8%	48.0%	(20)bps	(20)bps
Operating profit before adjusting items after interest on lease liabilities*	937	940	(0.3)%	0.8%
Operating margin before adjusting items after interest on lease liabilities*	8.2%	9.0%	(80)bps	(90)bps
Profit before tax and adjusting items*	923	961	(4.0)%	(2.9)%
Adjusted basic earnings per share* (p)	12.39	12.81	(3.3)%	
Operating cashflow net of lease repayments*	1,245	1,161	7.2%	
Net cash before lease liabilities* at period end	52	1,032	(980)	

¹ Explanations for restating FY24 numbers can be found in note 4 to the Consolidated Financial Statements

Statutory/£m	52w to 1 Feb 2025	53w to 3 Feb 2024	Change (52v53)
Revenue	11,458	10,542	8.7%
Operating profit	903	927	(2.6)%
Net finance expense	(188)	(116)	62.1%
Profit before tax	715	811	(11.8)%
Basic earnings per share (p)	9.50	10.45	(9.1)%
Dividend per share (p)	1.00	0.90	11.1%

Throughout this release,** indicates the use of Alternative Performance Measures. Please refer to pages 41 to 47 for the

further information including reconciliations to statutory measures.

Financial highlights

- Organic sales growth* of 5.8% and like-for-like (LFL) sales growth* of 0.3%
- Constant currency revenue growth* of 12.0% to £11,458m
- Gross margin* of 47.8%, down slightly on the prior period reflecting the acquisitions of lower margin Hibbett and Courir
- Constant currency Operating profit before adjusting items after interest on lease liabilities* up 0.8%
- Profit before tax and adjusting items* of £923m, down 4.0%, due largely to the continued investment in infrastructure, controls and security
- Profit before tax of £715m, down 11.8% due partly to an increase of £53m in adjusting items*
- Adjusted basic earnings per share* down 3.3% to 12.39p
- Basic earnings per share down 9.1% to 9.50p
- Operating cashflow net of lease repayments* of £1,245m driving net cash before lease liabilities* of £52m
- Proposed final dividend of 0.67p; total proposed dividend up 11.1% to 1.00p
- Q126 trading in line with expectations

Strategic highlights

- JD Brand First
 - JD store openings delivering payback of less than three years
 - Launched franchise partnerships in South Africa and Indonesia, and the Philippines after year end
- Complementary Concepts
 - Completed strategically important acquisitions of Hibbett, Inc. and Courir, extending our 'Reach' in the key growth markets of North America and Europe
- Beyond Physical Retail
 - Continuing to implement our global supply chain strategy
 - Over 8m active JD STATUS members
 - Improved controls and security environment
- People, Partners & Communities
 - Record employee engagement
 - Included in the Carbon Disclosure Project Climate A list
- After the year end, we updated our medium-term-plan to increase focus on profitability and improved shareholder returns

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Cautionary note regarding forward-looking statements

This announcement contains certain forward-looking statements relating to expected or anticipated results, performance or events. Such statements are subject to normal risks associated with the uncertainties in our business, supply chain and consumer demand along with risks associated with macro-economic, political and social factors in the markets in which we operate. Whilst we believe that the expectations reflected herein are reasonable based on the information we have as at the date of this announcement, actual outcomes may vary significantly owing to factors outside the control of the Group, such as cost of materials or demand for our products, or within our control such as our investment decisions, allocation of resources or changes to our plans or strategy. The Group expressly disclaims any obligation to revise forward-looking statements made in this or other announcements to reflect changes in our expectations or circumstances. No reliance may be placed on the forward-looking statements contained within this announcement.

Analyst and investor Q&A

We will be hosting an invite-only event for institutional investors and analysts at 0830 BST on 21 May 2025 with CEO Régis Schultz and CFO Dominic Platt. The presentation will be held at Peel Hunt, 100 Liverpool Street, London, EC2M 2AT.

To register for the live webcast of this event, please visit the following link:

<https://app.webinar.net/qRdaD7wD7xe>

If you are unable to attend in person and wish to ask questions, please visit the following link:

<https://registrations.events/direct/Q4l812121497>

For those unable to attend in real time, either in person or virtually, the presentation will be made available directly following the live presentation on the Investor Relations section of the JD PLC website: www.jdplc.com/investor-relations/results-centre

Financial calendar

2 July 2025: AGM

August 2025: Q226 trading update

September 2025: H126 results

November 2025: Q326 trading update

About JD Sports Fashion plc

Founded in 1981, the JD Group ('JD') is a leading global omnichannel retailer of Sports Fashion brands. JD provides customers with the latest sports fashion through working with established and new brands to deliver products that our customers most want, across both footwear and apparel. The vision of JD is to inspire the emerging generation of consumers through a connection to the universal culture of sport, music and fashion. JD focuses on four strategic pillars: JD Brand First, first priority, first in the world; leveraging Complementary Concepts to support JD Group global expansion; moving Beyond Physical Retail by building the right infrastructure and creating a lifestyle ecosystem of relevant products and services; and doing the best for its People, Partners and Communities. JD is a constituent of the FTSE 100 index and had 4,871 stores worldwide at 3 May 2025.

Chief Executive Officer's Review

JD has been moving at a fast pace over the last two years, investing in both our organic and inorganic growth to build further on our position as a leading global sports fashion powerhouse and developing our people and leadership, our infrastructure and cyber security and our governance and controls environment to ensure we have strong foundations for the future.

At the same time, the market has evolved and it is now the time for us to move to the next phase of our strategy by adapting our plan to focus on organic growth and on profit, leveraging the last two years' investments to improve returns to our shareholders.

In early 2023, we set out our strategic plan under four pillars (JD First, Complementary Concepts, Beyond Physical Retail and People, Partners & Communities). JD Brand First is our commitment to putting JD at the forefront of premium sports fashion, ensuring that we are the first choice for consumers around the globe. It is the number one priority for the Group. Complementary Concepts is about broadening our reach across customers, geographies and categories, and contributing to our growing scale. Beyond Physical Retail is our investment in infrastructure and digital transformation to support our long-term growth. And last, but most importantly, People, Partners & Communities, which reflects our commitment to our people, to our partners and to the communities in which we operate and ensuring we have a fit for purpose governance and control environment.

We also set out three financial objectives, which we referred to as the "triple double" - double-digit revenue growth, double-digit profit margin and double-digit market shares.

Reflecting on successes and challenges

Before we shift our focus to the future, I would like to reflect on the significant progress we have made, the many successes we have achieved, as well as a number of challenges that we have faced, over the past two years.

- **JD First.** The JD brand now has a consistent customer proposition across the world, leveraging our products, merchandising, marketing expertise and retail excellence. We prioritised accelerating our store opening and conversion programme to capture a larger share of the market, setting out an ambitious target to open at least 200 new JD fascia stores per year, including conversions, with a disciplined approach and a three year payback hurdle. We have delivered this with 468 stores opened, including 62 Finish Line conversions, and the vast majority achieving the hurdle rate.
- **Complementary Concepts.** In FY24, we simplified the Group with the divestment of around 30 non-strategic businesses and the acquisition of the minority interests in ISRG and MIG. In FY25, we completed the two strategically important acquisitions of Hibbett in the US and Courir in Europe.
- **Beyond Physical Retail.** We expanded our loyalty programme, JD STATUS, from the US into the UK, Ireland, France and Eastern Europe with more than eight million active accounts, and we have a developing omnichannel model which will provide profitable opportunities going forward. We are also improving our customer fulfilment through opening three major distribution centres (DCs), one in each of our core geographies, in the last 12 months.
- **People, Partners & Communities.** We aim to be the best for our people with developments including launching a global engagement survey and rolling out new systems to help unite our people across all territories, including a new global app-based colleague communications platform, 'JD NOW'. We expanded our community impact this year, including launching the JD UP programme, which has an exciting opportunity for a wider, international rollout, and improving our ESG performance, which is an integral part of our Group strategy.

We have also faced some challenges along the way.

- **Market growth.** The global sportswear market continues to grow, but at a slower pace than we have seen in recent years. This has resulted in lower than anticipated like-for-like (LFL) sales growth*. At the same time, we have continued to invest in our long-term

growth and in strengthening our infrastructure. This combination has had an impact on our profitability over the last two years, with effects differing by region. For example, across Europe where we have seen great success in the south but Germany has been more challenging, due largely to structurally higher people costs and a lower consumer appetite for sports fashion.

- **Investment in infrastructure and people.** A key priority for us was a need to upgrade the infrastructure, capability, governance and control environment to be fit for purpose for a group of JD's scale and reach. The programmes to address these areas have taken longer, and cost more, than we anticipated originally. The European DC project in Heerlen has been delayed by a year leading to increased costs. On this project, we have changed the leadership and I am pleased to say we are now back on track. In addition, we have spent around £60m to secure and improve the resilience of our IT infrastructure and back-office systems. We have started the programme to put in place IT general controls, build a cyber security function and upgrade outdated or non-supported legacy systems. As these are accounted for increasingly as operating expenditure rather than capital expenditure, these investments result in a higher short-term impact on our P&L. We have also developed our Head Office functions and have seen general wage inflation, especially as minimum wages defined by laws have increased significantly across most of the markets we operate in. This, and our decision to remove age banding, has resulted in an additional people cost of more than £100m over the last two years. These investments are the right choices for the long-term health of the business.
- **M&A.** We are excited by the opportunities from our recent acquisition of Courir, but the length of time it took to get European Commission clearance, the added cost that this brought and the scale of the remedies to secure clearance have held us back.

Updated strategic framework and financial targets

As announced after our period end in April 2025, we are now moving into the next phase of our medium-term plan, within which we will take actions to improve shareholder returns. We are refining our growth strategy to take into account the slower market growth, the achievements of the last two years and the lessons learned.

- In North America, we already have a scale business but there remains a significant growth opportunity. We will increase revenue and profit by growing space for the JD fascia, optimising our Complementary Concepts and delivering both supply chain and back-office synergies.
- In Europe, we are refining our approach and building on areas where we have seen success. Our plan is to grow revenue and improve the operating margin to high single-digits. Having completed the Courir acquisition, we will leverage its strong position in France and use JD's strong position in Spain and Italy to accelerate the expansion of Courir in those markets. We will also reduce costs and improve efficiencies in the supply chain to drive margin improvement in Europe. We are now very well positioned to develop our market share and our profit. In the UK, which is a maturing market as well as our most established market, our focus will be on productivity. We have a market-leading concept and a good store estate with almost all stores providing a positive contribution. However, it is important we continue to invest and manage our space and locations to maintain that leadership, ensuring a consistent customer experience and optimising productivity across the estate. We will also invest to support continued growth in our profitable and highly successful gyms business.
- In the rest of the world, our strategy is to grow the JD fascia, which will be expanded mainly via our capital-light franchise model.

We are also focused on leveraging our investments in our infrastructure and controls to deliver efficiencies. We have opened three new DCs in the last 12 months. In Europe, Heerlen will soon begin to deliver the desired benefits as the project is back on track and expected to deliver automated store orders for the FY26 peak and then for online orders in FY27. In the US, Morgan Hill will become our first multibrand DC in North America by the end of this financial year. This will unlock improvements in the speed to market for our west coast stores and give us the blueprint to move our other North American DCs in the US to multi fascia operations. This will deliver efficiencies and increase capacity for the future. In addition, we have opened a major automated DC in Australia to increase capacity to support our growth.

On digital, we are nearing the end of a two-year investment to replatform our omnichannel businesses. We will be live in the US before the end of 2025, with the UK and European markets to follow. In both cases, we are incurring significant double-running costs and constraints in delivering a full omnichannel experience to our customers.

We are also working on opportunities for efficiencies at our Head Offices in the UK and in Europe, as well as post-acquisition synergies across the back-office functions in North America.

Overall, we have adapted our strategy with the updated framework and regional priorities driving our capital allocation to support the key areas of growth and improving our profitability. This will see 70% of our capital expenditure directed to North America and Europe with the balance spread across the rest of the Group.

In terms of financial targets, over the medium term we will grow our organic revenue* ahead of the market, which we estimate to be around 2-3% per annum, led by our investment in space growth - the contribution from space growth* should settle at around 3-4% of revenue in the medium term as our capex becomes more targeted and the LFL base grows larger.

Beyond FY26, we will start to leverage the investments we have made in our people and our infrastructure, and drive efficiencies throughout the Group. Accordingly, over the medium term, we aim to deliver profit growth ahead of revenue growth.

Finally, we will focus on continuing to build our strong cash generation through a more disciplined approach to capital allocation via a more focused store investment programme and lower supply chain investment now that the major infrastructure investment programmes are behind us, and using a capital-light franchise model to expand outside our existing markets. As a result, we will start to improve our return on capital and enhance our returns to shareholders.

Review of FY25 performance

Turning to our performance in the 52 weeks to 1 February 2025, we achieved revenue of £11,458m, 10.2% up on the comparative 52-week period*, in what was again a volatile market. In constant currency, revenue growth* was 12.0%. LFL sales growth* was 0.3% and there was a 5.5% benefit from new stores, leading to organic sales growth* of 5.8%. This organic sales growth* exceeded estimated market value growth of 3.8% in 2024, meaning we again outperformed the market organically. A key element to our ability to outperform the market consistently is the strength and agility of our multibrand model. We have a consistent focus on offering our customers the brands and products that they want, which means we need to move quickly at all times to adapt to changes in fashion.

We are a highly cash generative business with £1.2bn of operating cashflow net of lease repayments*. At the end of the period, we had net cash before lease liabilities* on our balance sheet of £52m and, during the year, we spent £1.4bn on the acquisitions of Hibbett and Courir, including repayment of debt acquired.

Region

From a geographical point of view, all regions grew revenue* in the period other than the UK, which was impacted principally by non-core divestments made over the last two years. The UK declined 4.1% to £3,205m. Europe revenue* increased 9.5% to £3,510m, including two months of Courir. North America revenue* increased 27% to £4,242m including six months of Hibbett. Asia Pacific revenue* increased 0.4% to £501m, as the exit of non-core businesses in the year reduced revenue by £30m (c.6%). Growth in our newer markets resulted in a better business balance geographically with North America generating 37% of revenue*, Europe 31%, the UK 28% and Asia Pacific 4%.

Channel

Our retail stores grew revenue* by 15.7% to £9,081m with our online channel declining by 2.9% to £2,251m, reflecting the continued shift back to pre-pandemic online participation, our focus on online profitability and our investment in stores. As a result, stores now represent 79% of our revenue and online is 20%, with other, mainly gym memberships, at 1%. With our focus on customer satisfaction, we are consciously channel agnostic, facilitating the flexibility we need to meet customers' individual purchasing requirements, whether it be buying in store, buying online and delivered to home, or buying online and delivered to store.

Category

Footwear continued to perform strongly with revenue* growth of 15.2% to £6,819m, while apparel revenue grew 4.2% to £3,550m, driven primarily by our acquisitions being mostly footwear-focused. Accessories revenue grew by 4.8% to £702m. This means we continue to build a good mix of products delivering a 'head-to-toe' shopping opportunity with footwear at 60%, apparel at 31% and accessories at 6% of revenue. Other is 3% and includes outdoor living equipment and gym memberships.

Store numbers

We ended the period with 4,850 stores worldwide, 1,533 more than at the start of the period, due mainly to the acquisitions of Hibbett and Courir, which added 1,485 stores. Across all fascias, 311 stores were opened and 263 stores were closed, including 66 from Finish Line and Macy's as we continued to rationalise our store portfolio. We also converted 29 stores to JD from Finish Line in the US and a further 21 to JD from other European fascias.

Overview of progress under the four pillars

JD Brand First

We continue to strengthen the JD brand globally. We have a consistent, worldwide, customer proposition and strong brand partnerships, capitalising on our products, merchandising, marketing expertise and retail execution excellence. Our Christmas campaign was one of our most successful ever and, more recently, we launched our new, exciting JD campaign, 'Forever Forward'.

We have continued to grow the JD store footprint across the globe with a particular focus on North America and Europe. We follow a disciplined approach to capital investment and, outside of a few strategic investments such as flagship stores, each new store must be able to payback investment in under three years. We finished the year with 1,475 JD fascia stores. In total, we added net 223 new JD stores, constituting 203 new JD fascia stores and 49 conversions from other brands, across Finish Line in the US and ISRG and MIG in Europe, offset partly by a small number of store closures.

The good momentum continued in North America where we converted 29 Finish Line stores to the JD fascia and we opened a further 75 new JD stores across both the US and Canada. We also closed 69 stores, of which the majority were Finish Line as we continued to rationalise our store portfolio. We are now over half way through the Finish Line to JD conversion programme and we are working on plans to accelerate the completion of this programme.

In Europe, we opened 99 new JD stores across a number of European cities, including in Paris, where we opened our new flagship store on the Champs Élysées. We also converted a further 21 stores from the ISRG and MIG businesses to JD.

In the UK, the main strategic focus continues to be on improving locations or store size in existing cities and towns. During the period, we opened 17 new stores and closed 14, thereby growing our store portfolio by a net three stores. Highlights included the opening of our new flagship store at Stratford in London, Bluewater in Kent and also in Leeds.

In Asia Pacific, we opened 14 new JD stores. We opened new stores in Canberra and Darwin, and are now in every Australian state, as well as opening a new store in Wellington, New Zealand. We also completed the sale of our Indonesia joint venture to our partner to facilitate the start of a franchise agreement with them in this market.

To grow the JD brand outside of our strategic markets, we have made great strides in continuing to develop our franchise model. The advantages of this model include collaborating with our selected partners to leverage their local knowledge and relationships, while also benefiting from low capital expenditure requirements. We currently operate JD stores through three franchising agreements covering the Middle East, South Africa and Indonesia. In March 2025, we were pleased to finalise an agreement with our selected partner for the Philippines and we remain committed to exploring further opportunities.

Complementary Concepts

Our focus within this pillar has been growing our community brands within North America, working towards the successful acquisition of Courir to develop a new, complementary sports fashion offer in Europe, optimising the profitability of ISRG and MIG businesses within Europe, and divesting non-core businesses. I am delighted to report strong progress across all these areas.

We completed two significant acquisitions during the period.

The Hibbett acquisition completed in July 2024 and brought with it 1,179 stores across its Hibbett and City Gear retail fascias. Hibbett provides an enhanced platform for the mall-led, nationwide growth of the JD brand in North America, and with its efficient supply chain and strong back office, we expect cost synergies of at least \$25 million over the medium term across our North American business.

As a result, we now operate six fascias in North America: JD, Hibbett, Finish Line, Shoe Palace, City Gear, and DTLR and together we have a comprehensive geographic and customer coverage. We segment these fascias into 'Mass', 'Reach', and 'Focus'.

- 'Mass' is aligned to JD Brand First. The US JD customer is the same young customer as everywhere else in the world. Our JD stores operate mainly in key 'A' and 'B' malls.
- 'Reach' is a convenient local format expanding our reach into underserved markets and rural areas. It primarily includes Hibbett but it does also include the Finish Line corners in Macy's which extends our reach to an older, more female customer in North America.
- 'Focus' is our city specialists - great community stores in urban areas. They are mostly street mall venues with some presence in covered malls. They are fully complementary on a geographical basis. This currently includes Shoe Palace, DTLR and City Gear. Going forward, we have taken the decision to rationalise our portfolio and will convert most of the City Gear stores to DTLR, with a limited number of stores converted to Shoe Palace.

The Courir acquisition completed in November 2024 and brought with it 306 stores across six European countries including its home market in France, as well as 35 franchise stores across nine further countries. This acquisition gives us great insights into, and exposure to an older, more female customer in Europe.

Together these acquisitions added 1,485 new stores and we welcomed over 16,000 new colleagues.

Alongside these pivotal acquisitions, we made good progress with our European businesses. We worked closely with the management teams of ISRG and MIG to optimise the roll-out of JD with store conversions to JD as well as working on integration and sharing Group best practices to improve profitability. We also simplified the group structure with the purchase of minority shareholdings in DTLR and JD Canary Islands, and divesting shareholdings from a further three non-core businesses: Bodytone, Total Swimming and Gym King. We also saw one of our non-core assets, Applied Nutrition, achieve a successful IPO, listing on the London Stock Exchange in October 2024. This resulted in selling down 21.58% of our shareholding and generated a notable return on our original investment. We have retained 9.78% of our shareholding. Going forward, in Europe it is now a case of 'refining' our approach and capitalising on the great success we have seen to date in the region.

Beyond Physical Retail

We are channel agnostic, aiming to offer our customers the right products, at the right time, in the right place for them. To do this, we have ongoing programmes to support our 'Beyond Physical Retail' strategic pillar. Our focus continues to be on five key priorities: re-platforming our websites; strengthening our cyber security; executing our omnichannel proposition further; developing our loyalty programme; and improving the efficiency and effectiveness of our supply chain.

On digital, we are making strong progress on our investment to re-platform our websites. The US will be our first go-live this coming year, with the UK and European markets to follow.

We have rolled out our successful US loyalty programme, JD STATUS, into the UK, Ireland, France and Eastern Europe with more than eight million active accounts globally. This serves as the foundation for developing closer, more targeted, personalised and valuable relationships with our customers.

We continue to make progress on our UK/European supply chain optimisation with the Heerlen DC in the Netherlands opening manually for selected brand partners and own brands. Unfortunately, this is not the original milestone we had hoped to hit as the project has seen delays and increased cost. To rectify this, we hired a very respected and experienced leader, Wim van Aalst, to oversee our global supply chain operations. The Heerlen project now has a clear way forward. In addition, we have opened a major automated DC in Australia to

increase capacity significantly in that market. In the US, our Morgan Hill distribution centre will become our first multi fascia distribution centre in North America by the end of FY26.

We have developed our 'ship from store' capability to shorten our lead times in Europe and reduced our fixed costs with the closure of the Derby DC in the UK.

Overall, our ongoing efforts to develop our omnichannel proposition, a disciplined commercial policy and the optimisation of our digital marketing spend has resulted in a significant improvement in the profitability of our online business.

People, Partners & Communities

The expertise, dedication, professionalism and passion of our people are the foundation of our success. We are committed to supporting our colleagues by providing ongoing opportunities to further their careers and achieve their ambitions. To this end, we continue to improve our people systems functionality, developing our key partner programmes and creating lasting impact to the communities where we operate.

Our people are at the heart of our business and investing in them is a key priority. As well as positive actions like removing age bandings in the previous financial year, we are rolling out new systems to help unite our people across all territories. For example, this year we designed and built a new global communications app, "JD Now", to connect our colleagues across all territories and engage with the large young demographic in our workforce, and I'm pleased that this went live in early 2025. Our new global Human Resources Information System will ensure a more seamless HR experience for our people and is being rolled out through 2025.

Mental health is one of the biggest challenges facing the world today. Our leadership team, including myself, have committed to creating a culture of openness, where colleagues can talk freely and easily about mental health and receive the support they need. We continue to support all colleagues in our workforce by focusing on development pathways. For example, the Retail Roadmap contains 10 specifically designed programmes to enable personal and professional growth, improving colleague social mobility to help them build a future within the business. We supported colleagues through the Diversity in Retail "Ethnic Future Leaders Programme", giving them the chance to be mentored by a senior leadership team member. As a mentor, it's been great to witness and it reaffirms to me the strategic value of investing in our colleagues and nurturing our future leaders.

Also critical to our success are the strong and profitable relationships we have with our global brand partners, driven by our brand presentation in store, our protection of brand equity through a high full price mix and our global scale.

We expanded our positive community impact this year reflecting the dedication of our colleagues and our customers' support via the JD Foundation and JD Finish Line Foundation, aiming to be the best partner for the communities where we operate.

The JD Foundation and JD Finish Line Foundation donated more than £4.5m to over 200 community projects. The JD Foundation strategy is evolving to focus on social mobility, building stronger youth communities and transforming young people's lives through opportunities, engagement and social change.

Improving ESG performance is an integral part of our Group strategy. As a FTSE 100 Company, we recognise that our scale enables us to make positive, lasting changes. We are very proud of our ongoing climate achievements which include achieving 'A List' status with the Carbon Disclosure Project (CDP). This recognition places us among a select group of companies leading in environmental transparency and performance. It reflects our commitment to meaningful climate action and the responsibility we have as a global business. Further to this, we have achieved a 'B' grade for CDP Water Security, sourcing 99% of cotton for our private label products via the 'Better Cotton' initiative and retaining our 'Zero Waste to Landfill' accreditation at our largest UK and European DC and office locations.

Summary

As we move into the next phase of our medium-term plan, we are adapting to slower market growth with a refined organic growth strategy and a clear focus on performance and delivering efficiency gains from our past investments.

Our strong and agile multi-brand global model is well suited to the current environment and we have demonstrated our ability to navigate

short term headwinds.

We are well positioned to outperform in North America and Europe where we see the largest growth opportunities, leveraging our different propositions.

Overall, we are disciplined and focused on delivering strong cash generation to enable an improvement in our shareholder returns.

Q126 trading update and outlook

Overall, trading in the 13 weeks to 3 May 2025 was in line with our expectations.

Organic sales growth* was 3.1%, driven by a 5.1% contribution from new space. LFL sales* were down 2.0% and gross margin was in line with the prior period, both reflecting our disciplined commercial approach in what continues to be a volatile and promotional market, particularly online.

All regions achieved organic sales growth* in the quarter. In line with our JD First strategy, the JD segment drove Group sales growth* through our store rollout programme across Europe and North America, achieving growth of 4.7% in the quarter. North America saw organic sales growth* of 1.4%, reflecting in part a shift in the product launch schedule compared with last year. Europe delivered organic sales growth* of 6.5% and we are seeing an improving trend in the UK, helped in part by good weather.

Segment

Q126	Organic sales growth*	LFL sales growth*
JD	4.7%	(2.0)%
Complementary Concepts	(1.8)%	(5.5)%
Sporting Goods and Outdoors	0.2%	2.0%
Group	3.1%	(2.0)%

Region

Q126	Organic sales growth*	LFL sales growth*
North America	1.4%	(5.5)%
Europe	6.5%	0.7%
UK	2.0%	0.4%
Asia Pacific	2.4%	(5.5)%
Group	3.1%	(2.0)%

Gross margin was 48.2%, in line with the prior period. On an organic basis, excluding the impact from the acquisitions of Hibbett and Courir, gross margin was 48.6%, up 0.4%pts on the prior period, reflecting our continued disciplined trading approach.

The recent announcements in respect of tariffs continue to evolve and the Group is monitoring the position carefully. Elevated tariffs have the potential to impact the Group in three areas: -

- Global economy and our customers. The potential impacts are on consumer confidence and, in the short term, the cost of goods and services for US customers may rise to some degree with a potential impact on overall consumer demand. We consider this to have the largest potential impact on the Group.
- Our brand partners. They source most of their products from South East Asia. We expect mitigating actions to be taken across the supply chain to ensure that prices remain as competitive as possible for consumers.
- Goods and services not for resale, such as store fixtures and fittings, and our own brand and licensed products. These products represent less than 10% of total Group revenue and are sourced from a wide range of countries. We have modelled the potential impact of tariffs on the Group and it is not considered to be material.

We are taking action to mitigate any potential impact through further diversifying the range of countries from which we source own brand and licensed products, continuing to work closely with our brand partners and ongoing cost control.

In summary, we have traded in line with our expectations in the first quarter. The market remains volatile and visibility on the overall potential impact from tariffs is low. Our strong and agile multi-brand model positions us well to navigate these market conditions and we are focused on controlling our cost base and delivering on the key strategic projects that underpin the delivery of improved shareholder returns over the medium term.

Régis Schultz

Chief Executive Officer

20 May 2025

Chief Financial Officer's Statement

Financial Performance

FY25 is a 52-week period ended 1 February 2025. The comparative period is 53 weeks to 3 February 2024. To aid comparability, the headline results, associated commentary and percentage changes are presented in the financial performance report on an unaudited 52-week basis unless otherwise stated.

	52 weeks 2025	Restated ⁽¹⁾ 52 weeks (unaudited) 2024*	Restated ⁽¹⁾ 53 weeks 2024	Change (52 weeks vs 52 weeks)*	Constant Currency Change (52 weeks vs 52 weeks) *
	£m	£m	£m		
Revenue	11,458	10,397	10,542	10.2%	12.0%
Gross profit before adjusting items*	5,472	4,986	5,048	9.7%	11.5%
Gross margin before adjusting items*	47.8%	48.0%	47.9%	(20)bps	(20)bps
Operating costs before adjusting items*	(4,423)	(3,963)	(4,019)	11.6%	13.5%
Interest on lease liabilities	(112)	(83)	(84)	34.9%	37.2%
Operating profit before adjusting items after interest on lease liabilities*	937	940	945	(0.3%)	0.8%
Operating margin before adjusting items after interest on lease liabilities*	8.2%	9.0%	9.0%	(80)bps	(90)bps
Net finance (expense)/income excluding interest on lease liabilities	(14)	21	21		
Profit before tax and adjusting items*	923	961	966	(4.0%)	(2.9%)
Adjusting items	(208)	(155)	(155)		
Profit before tax	715	806	811	(11.3%)	
Operating Profit	903	921	927	(2.0%)	

1. For the financial period ended 1 February 2025, the Group has updated the adjusting items policy to include the amortisation of acquired intangible assets. Please refer to Note 3 for further details of the restatement.

* Throughout this Report, ** indicates the use of alternative performance measures. Please refer to pages 41 to 46 for further information including reconciliations to statutory measures.

CONSOLIDATED INCOME STATEMENT

Revenue*

Group Revenue* increased 10.2% to £11,458m (FY24: £10,397m). Sales growth* in constant currency was 12.0%. Organic sales growth* was 5.8% which comprised 0.3% like-for-like (LFL) sales growth* and 5.5% sales growth from net new space and store conversions. In addition to organic growth there was 8.5% growth from the part year benefit of the strategic acquisitions of Hibbett in North America (£713m sales) and Courir in Europe (£139m sales) that have significantly expanded the scale of our Complementary Concepts business in

these markets. There was a 2.1% reduction in sales from the disposal of non-core businesses in the prior period.

Store sales grew 15.7% and organic store growth was 9.5% reflecting the continued growth of our store network and successful in-store execution. As a result overall store sales increased 4.0%pts to represent 79% of Group revenue. Online sales declined 2.9%, and declined 6.6% excluding Hibbett and Courir, and this reduction reflects the continuing post-Covid shift from online back to store, opening of new stores, faster growth and acquisition of businesses with lower percentage of online sales, and an increased focus on profitable online sales. Subsequently the overall share of online sales fell 3%pts to 20% of Group revenue.

Footwear has continued to trade more robustly than apparel, although both categories grew in the period. Footwear in the lifestyle space is a resilient, growth category driven by the continued growth in 'sneakers' around the world. Growth in the period was 15.2% and footwear's share of our revenue increased 3%pts to 60% due mainly to the mix effect of acquiring Hibbett which has a higher penetration of footwear in its sales. Apparel grew at a slower rate due to challenging weather conditions, particularly in the UK and Europe, where the spring/summer season was wetter than average. This had a knock-on effect on margin as the industry sold more stock at discounted prices in the summer sales season, ahead of the back-to-school period and then into the autumn/winter season. Apparel revenue was up 4% with its share of revenue falling 1%pt to 31% due mainly to the mix effect of acquiring Hibbett.

Gross Margin before Adjusting Items*

Total gross margin before adjusting items* was down (20)bps at 47.8% (FY24: 48.0%) with the decline reflecting the impact of Hibbett and Courir. Excluding Hibbett and Courir, margins were flat period on period at 48.0% reflecting our full price policy and pricing discipline in a more promotional market.

Operating Costs before Adjusting Items*

Operating costs before adjusting items* increased 11.6% to £4,423m. Excluding the impact of acquisitions and disposals, on a 52 week constant currency basis, costs grew 7.8%, ahead of our organic revenue growth of 5.8%.

The majority of this increase is the incremental selling and distribution costs of operating our newly opened stores, as well as the continued dual running costs of our European distribution centre, while we fully commission our new automated Heerlen distribution centre which has taken longer than expected. Omni-channel costs were lower as we optimised delivery costs and focused our marketing spend more effectively. We have maintained staff costs percentage of sales by delivering efficiencies across our stores and head office teams offsetting in part the impact of national minimum and other wage inflation pressures.

Administrative costs have increased due to higher technology costs for increased cyber security, developing our JD STATUS loyalty scheme, and higher depreciation as we continue to invest in upgraded systems. In addition we have seen increased costs from investing in our Group support functions to improve the quality of our internal teams, control environment, and project spend to upgrade our systems.

During the year the Group has closed its Derby distribution centre to optimise our UK distribution cost base for the current shape of our UK business following the recent disposals of our non-core UK fashion businesses. This has resulted in an impairment charge of £76m that has been charged to adjusting items.

A breakdown of operating costs before adjusting items* is shown in the table below.

	52 weeks to 1 February 2025* £m	52 weeks to 27 January 2024 Restated* £m*	Change %
Selling and distribution expenses	(3,933)	(3,573)	10%
Administrative expenses before adjusting items	(520)	(428)	21%
Share of equity accounted investees	5	8	(38)%

Other operating income	25	30	(17)%
Operating costs before adjusting items	(4,423)	(3,963)	12%

1. For the financial period ended 1 February 2025, the Group has updated the adjusting items policy to include the amortisation of acquired intangible assets. Please refer to Note 3 for further details of the restatement.

Net Finance Expense before Adjusting Items*

Net finance expense before adjusting items* in the period was £126m. Interest on lease liabilities increased from £83m to £112m due to higher discount rates applied to new and remeasured leases in the period, and the additional costs arising from the ongoing strategic investment in new stores and distribution centres over FY24 and FY25, along with the acquisitions of Hibbett and Courir.

Finance income fell by £12m reflecting lower cash balances compared to the previous period as the Hibbett and Courir acquisitions were funded partly using cash. Finance expense excluding interest on lease liabilities rose by £23m compared with the prior period, as a result of increased borrowings to fund the acquisitions of Hibbett and Courir.

	52 weeks to 1 February 2025 £m	52 weeks to 27 January 2024 £m*	Change %
Interest on lease liabilities	(112)	(83)	35%
Finance income	27	39	(31%)
Finance expense excluding interest on lease liabilities*	(41)	(18)	128%
Net finance expense excluding interest on lease liabilities*	(14)	21	
Net finance expense before adjusting items*	(126)	(62)	103%

Operating Profit before Adjusting Items and after Interest on Lease Liabilities*

Operating profit before adjusting items and after interest on lease liabilities* of £937m (FY24: £940m) was up 0.8% on a constant currency basis and down 0.3% on a reported currency basis with the increase in profits following the acquisitions of Hibbett and Courir offset partially by higher operating costs, including the continued investment in our global functions and infrastructure.

Profit Before Tax and Adjusting Items*

Profit before tax and adjusting items* was £923m (FY24: £961m) and fell 2.9% on a constant currency basis and 4.0% on a reported currency basis. This reduction reflects the £35m increase in net finance expense excluding interest on lease liabilities because of lower

cash balances and incremental borrowings related to the acquisitions of Hibbett and Courir.

For the remainder of this financial performance section the commentary compares the 52 week period to 1 February 2025 to the 53 week period to 3 February 2024.

Adjusting Items

Adjusting items for the period were a net charge of £208m (FY24: net charge of £155m), as detailed in the table below.

£m	52 weeks to 1 February 2025	53 weeks to 3 February 2024 Restated ¹
Acquisition related costs; Hibbett & Courir	9	-
Adjusting items within Cost of Sales	9	-
Acquisition related costs	36	11
Impairment of tangible and intangible assets and investments	112	39
(Gain)/loss on divestments	(78)	38
US Integration	5	-
Foreign exchange movements	5	-
Amortisation of acquired intangibles	57	49
Gain arising on SUR bankruptcy	-	(36)
Deferred consideration charge	-	1
Adjusting items within administrative expenses	137	102
Impairment of loans not recoverable: ISRG Group - SUR bankruptcy	-	58
Put and call options: movement in present value of put and call options	62	(6)
Impairment of loans not recoverable from non-consolidated joint venture	-	1
Adjusting items within net finance expense	62	53
Adjusting items*	208	155

1. Please refer to Note 3 for further details of the restatement

The total charge for the period is £208m, of which £57m relates to a net cash inflow and £265m was a non-cash charge.

Acquisition-related costs: Acquisition related costs of £45m (£9m recognised within cost of sales and £36m recognised within administrative expenses) are principally in respect of the Hibbett and Courir acquisitions completed in July and November 2024 respectively.

Impairment of tangible and intangible assets and investments: the £112m charge in the current period includes the impairment of fixed assets and closure costs in relation to the Derby Distribution Centre ('DC') of £76m which was closed in September 2024 following a review of the Group's UK DC capacity requirements. In addition, following performance below expectations in certain European markets, a strategic review of the store estate was carried out, which concluded that 46 stores should be closed. As a result an impairment charge of £29m has been recorded to reflect these planned closures. There were other impairments of £7m.

Gain on divestments: The Group generated a gain of £78m on divestments. In October 2024 the Group disposed of 21.58% of its shareholding in Applied Nutrition. A gain of £75m arising from the disposal and gain on revaluation of the retained investment on the date of disposal is recognised as an adjusting item and the Group retains 9.78% shareholding. Other gains amounted to £3m.

US Integration: The integration costs of £5m are associated with the integration of the Group's US businesses following the acquisition of Hibbett. This is the first part of a significant multi-year programme to create an integrated platform for the nationwide growth of the JD Brand and Community fascias in North America with an efficient supply chain and back office. We are expecting this programme to deliver at least \$25m annual savings over this time frame at a one-off cash cost of around 1x the savings delivered.

Foreign exchange movements: Foreign exchange movements are £5m losses on non-trading balances which are long term, interest bearing, non-trading intercompany loans held by JD Plc with foreign subsidiaries (in a foreign currency). The charge in FY24 was insignificant and has not been included in the table above.

Amortisation of acquired intangibles: As disclosed in the FY24 annual report, we have extended the definition of adjusting items to include amortisation of acquired intangibles from our Profit before tax and adjusting items. This is a charge of £57m in the period. We have restated the FY24 results for this change, leading to a £49m charge moving from administrative expenses to adjusting items within administrative expenses.

Put and call options: The £62m charge is the movement in the present value of the put and call options for the buyouts of non-controlling interest ('NCI') of Genesis Topco Inc ('Genesis') (£68m charge) and DTLR (£6m credit). The increase in respect of the put and call options over Genesis, the holding company for our North America businesses and of which the Group owns 80%, reflects an increase in the value of our North American business following the acquisition of Hibbett. In addition, there was a credit of £6m in relation to the DTLR option, which was revalued prior to the acquisition of the NCI which was completed in the period. Please refer to the Post Balance Sheet Event section below for further details on the future plans for the Genesis NCI buyout.

Operating Profit

Operating profit was £903m (FY24: £927m). This is due primarily to an increase in adjusting items charged within operating profit of £44m driven primarily by impairments and acquisitions which were partly offset by a gain of £75m arising from the disposal of Applied Nutrition and gain on revaluation of the retained investment.

Profit Before Tax

Profit before tax was £715m (FY24: £811m). The £96m decrease versus the prior period is due to a £63m increase in net finance expense before adjusting items* and a £53m increase in adjusting items, both as explained above.

Income Tax Expense

The income tax expense for the period was £175m (FY24: £206m). The effective tax rate fell from 25.4% to 24.5% due primarily to non-taxable income on the disposal of shares in Applied Nutrition, together with a non-recurring tax credit relating to prior periods.

The income tax expense before adjusting items* for the period was £222m (2024: £237m). The adjusted effective tax rate* fell from 24.5% to 24.1% due to a non-recurring tax credit relating to prior periods, offset by the increase in the UK's mainstream corporate tax rate from 19% to 25% on 1 April 2023, resulting in the UK rate increasing from 24% in FY24 to 25% in FY25.

Profits Attributable to Non-Controlling Interests

Profit attributable to NCIs fell £16m from £66m in FY24 to £50m in FY25. This is due to the impact of the buyout of the 49.99% NCI in ISRG and the buyout of the 40% NCI in MIG during the prior period, which has resulted in a full period of 100% of profits being attributable to JD Group in FY25. The fall is partially offset by a larger amount of profit being generated from the Genesis Group due to the Hibbett acquisition. The only material NCI left in the Group at the end of the period is the 20% in Genesis.

Earnings per Share

On a statutory basis, basic and diluted earnings per ordinary share fell from 10.45p to 9.50p due to the 12% reduction in Profit before tax, partially offset by a lower effective tax rate.

Adjusted basic earnings per ordinary share* fell 3.4% from 12.81p (restated) to 12.39p due to the reduced Profit before tax and adjusting items*, which was partially offset by a lower adjusted effective tax rate*.

SEGMENTAL REPORT

A performance summary of the three reportable segments in the Group can be seen in the table below.

As announced in the Group's FY24 Trading Update on 28 March 2024, these financial statements to 1 February 2025 have been presented under the new segmentation used for reporting. See Note 2 for further details.

The comparative period is 53 weeks to 3 February 2024. To aid comparability, the headline results, associated commentary and percentage changes are presented in the segmental report on an unaudited 52-week basis to the 27 January 2024.

FY25	Total	JD	Complementary Concepts	Sporting Goods & Outdoor
	£m	£m	£m	£m
Revenue	11,458	7,798	2,165	1,495
Gross profit before adjusting items*	5,472	3,804	998	670
Gross margin before adjusting items*	47.8%	48.8%	46.1%	44.8%
Operating costs before adjusting items*	(4,423)	(3,058)	(786)	(579)
Interest on lease liabilities	(112)	(81)	(19)	(12)
Operating profit before adjusting items after interest on lease liabilities*	937	665	193	79
Operating margin before adjusting items after interest on lease liabilities*	8.2%	8.5%	8.9%	5.3%

FY24	Total	JD	Complementary Concepts	Sporting Goods & Outdoor	Other ⁽¹⁾
	£m	£m	£m	£m	£m
Revenue	10,397	7,490	1,322	1,546	39
Gross profit before adjusting items*	4,986	3,658	626	685	17
Gross margin before adjusting items*	48.0%	48.8%	47.4%	44.3%	42.7%
Operating costs before adjusting items*	(3,963)	(2,869)	(455)	(626)	(13)
Interest on lease liabilities	(83)	(61)	(12)	(10)	-
Operating profit before adjusting items after interest on lease liabilities*	940	728	159	49	4
Operating margin before adjusting items after interest on lease liabilities*	9.0%	9.7%	12.0%	3.2%	9.5%

(1) 'Other' relates to businesses divested of in the previous period.

	Total	JD	Complementary Concepts	Sporting Goods & Outdoor
	Change	Change	Change	Change
Revenue	10.2%	4.1%	63.8%	(3.3%)

Gross margin before adjusting items*	(20)bps	-	(130)bps	50bps
Operating costs before adjusting items*	11.6%	6.6%	72.4%	(7.6%)
Operating profit before adjusting items after interest on lease liabilities*	(0.3%)	(8.7%)	21.6%	61.0%
Operating margin before adjusting items after interest on lease liabilities*	(80)bps	(120)bps	(310)bps	210bps

JD

JD segment revenue was £7,798m, up 4.1% on the prior period and 5.8% at constant currency. Excluding the impact of the disposal of non-core businesses, organic sales growth was 7.1%. This included a 0.4% reduction in LFL sales*. The growth came from our continued store portfolio expansion. 205 stores opened during the period of which 75 were in North America and 99 in Europe, in line with our strategy. Gross margin remained flat at 48.8% versus the prior period, as we remained disciplined in a promotional market, with operating profit before adjusting items and after interest on lease liabilities* down 8.7% due to continued investment in our people, supply chain, technology infrastructure, cyber resilience and new stores to support future long-term growth. This segment represented 68% of the Group's revenue (FY24: 72%) and continues to be the primary focus under our JD First strategy with 2,026 stores open at the end of the period.

JD UK

The UK is JD's most mature market and saw revenue* fall 3.7% to £2,663m driven by the divestment of non-strategic brands over the previous 12 months. Organic sales were down 1.1% and LFL sales down 3.0% reflecting the challenging UK retail environment. We took action to improve the profitability of our online business and limited our involvement in elevated promotional activity in the market. Gross margin was down 60bps reflecting a promotional market particularly on line and in apparel. Operating profit before adjusting items and after interest on lease liabilities* was down 26% which reflects our continued investment in the Group including people, technology infrastructure and cyber resilience. JD Gyms had another strong year, growing revenue by 5.3% to £133m, due to the annualisation of gyms operating 24 hours, increased pricing and an increase of seven new gyms to 92 (FY24: 85).

JD Europe

Growth in Europe continues to be driven by new store rollouts and conversions as market awareness of the JD brand strengthens. Revenue* grew by 12.6% to £2,199m (15.7% in constant currency), driven by LFL sales growth of 1.4% and organic sales growth of 15.6%. This trading performance reflects consistent growth across key markets and reinforced confidence in our long-term strategy. Gross margin was up 150bps as we increased direct deliveries to our new warehouse in the Netherlands, avoiding duty costs from the UK. Operating profit before adjusting items and after interest on lease liabilities* was up 6% on the prior period, reflecting the sales growth, and the improvement in gross margin. Cost efficiencies across retail, online and supply chain operations have been offset by higher interest costs on lease liabilities.

The Group has carried out a strategic review of its European store estate at an individual store level, taking account of current profitability, continuing inflationary cost pressure and learnings from the store rollout programme to date. This review has resulted in an impairment charge of £29m across 46 stores. This has been charged to adjusting items.

JD North America

JD North America revenue* grew 6.4% to £2,436m (8.8% in constant currency*), with the main driver being the JD fascia. Organic sales growth* of 8.6% included 0.5% LFL growth* reflecting the growing presence of the JD brand in line with the JD First strategy, which is offsetting the weaker performance of Finish Line. There were 336 JD stores open at the end of the period in North America compared with 235 in the prior period. 29 Finish Line stores were converted to JD during the period and 45 exited, resulting in 257 Finish Line stores and 256 concessions in Macy's at the end of the period. Gross margin remained flat as we chose not to participate in the increased promotional environment in line with our full price approach. Operating profit before adjusting items and after interest on lease liabilities* was up 18% on the prior period, driven by the new store growth and leveraging the cost base.

JD Asia Pacific

Revenue* grew 3.6% to £501m (6.7% constant currency), driven by net new space. Operating profit before adjusting items and after interest on liabilities* was down by 2% as we continued to invest in fulfilment capabilities as we grow scale in the region.

Complementary Concepts

Revenue* of £2,165m was up 63.8% on the previous period (+66.7% in constant currency).

Community revenue, which includes Shoe Palace, DTLR and Hibbett (from July 2024), was up 70% to £1,806m (74% in constant currency). Organic sales growth* of 5.1% includes LFL sales growth* of 1.3% and store growth in Shoe Palace and DTLR. Hibbett contributed £713m of revenue in the period.

Complementary revenue, which includes the non-JD fascia stores in Eastern and Central Europe, was up 38% to £359m (also 38% in constant currency), following the acquisition of Courir in November 2024. Revenue* in our non-JD fascia stores in Eastern and Central Europe was down 15% at £220m reflecting the ongoing rationalisation of the fascias as we simplify the business and convert some of the stores to the JD fascia. Courir contributed £139m of revenue following its acquisition.

Sporting Goods and Outdoors

LFL sales in Sporting Goods grew by 7.6% during the period driven by increased footfall and a lower promotional environment. Total revenue fell 4.1% to £952m but operating profit before adjusting items and after interest on lease liabilities* increased 35%, both as a result of the closure of the SUR business in the prior period.

Outdoors Revenue* of £542m was down 1.8% on the prior period driven by -2.0% LFL sales due to wet weather at the start of the period, which combined with the early Easter resulted in lower sales of outdoor living products, notably tents and camping equipment. However, operating profit increased by £11m to £6m, as a result of a 190bps increase in gross margin resulting from reduced freight charges and a rationalised supply chain footprint.

GEOGRAPHICAL REPORT

A performance summary of the four geographic segments in the Group can be seen in the table below.

The comparative period is 53 weeks to 3 February 2024. To aid comparability, the headline results, associated commentary and percentage changes are presented in the segmental report on an unaudited 52-week basis to the 27 January 2024.

FY25	Total	UK	Europe	North America	Asia Pacific
	£m	£m	£m	£m	£m
Revenue	11,458	3,205	3,510	4,242	501
Operating profit before adjusting items after interest on lease liabilities*	937	297	160	418	62
Operating margin before adjusting items after interest on lease liabilities*	8.2%	9.3%	4.6%	9.9%	12.3%
Number of stores	4,850	665	1,579	2,504	102
FY24	Total	UK	Europe	North America	Asia Pacific
	£m	£m	£m	£m	£m
Revenue*	10,397	3,341	3,206	3,352	499
Operating profit before adjusting items after interest on lease liabilities*	940	389	131	353	67
Operating margin before adjusting items after interest on lease liabilities*	9.0%	11.6%	4.1%	10.5%	13.4%
Number of stores	3,317	674	1,285	1,269	89

	Total	UK	Europe	North America	Asia Pacific
	Change	Change	Change	Change	Change
Revenue*	10.2%	(4.1%)	9.5%	26.6%	0.4%
Operating profit before adjusting items after interest on lease liabilities*	(0.3%)	(23.6%)	22.0%	20.1%	(7.7%)
Operating margin before adjusting items after interest on lease liabilities*	(80)bps	(230)bps	50bps	(60)bps	(110)bps
Number of stores	1,533	(9)	294	1,235	13

The expansion of the Group's operations in North America, following the acquisition in Hibbett and investment in new stores has resulted in it now representing the largest geographic area from both a Revenue* and Operating profit before adjusting items after interest on lease liabilities* perspective, being 37% and 45% respectively.

The reduction in UK revenue reflects the divestment of non-core businesses during the period.

CASHFLOW STATEMENT

A summary cashflow showing how the change in cash and cash equivalents⁽¹⁾ is calculated, can be seen in the table below.

£m	52 weeks to 1 February 2025	53 weeks to 3 February 2024
Profit before tax	715	811
Add back impairments of tangible, intangible assets and investments	125	39
Add back other non-cash adjusting items	109	69
Less profit on disposal of associates	(75)	-
Depreciation and amortisation of non-current assets	786	664
Repayment of lease liabilities	(420)	(400)
Other	5	(22)
Operating cashflow net of lease repayments	1,245	1,161
Change in working capital	(137)	(197)
Capital expenditure	(515)	(530)
Income taxes paid	(243)	(208)
Other	(11)	(10)
Net cashflow before dividends, financing, acquisitions and disposals	339	216
Repayment of interest-bearing loans and borrowings	(501)	-
Draw down of interest-bearing loans and borrowings	865	-
Acquisition of subsidiaries and NCI	(1,157)	(611)
Cash consideration of disposals	95	-
Equity dividends paid	(48)	(50)
Dividends paid to NCI in subsidiaries net of dividend received	-	(2)
Change in cash and cash equivalents ⁽¹⁾	(407)	(447)
Cash and cash equivalents at the start of the period ⁽¹⁾	1,102	1,549
Cash and cash equivalents at the end of the period ⁽¹⁾	695	1,102

1. Cash and cash equivalents equates to the cash and cash equivalents presented in the Consolidated Statement of Cash Flows, as reconciled in Note 11 of the Consolidated Financial Statements.

Profit before tax was £715m (FY24: £811m). The £96m decrease versus the prior period is primarily due to a £63m increase in net finance expense before adjusting items and a £53m increase in adjusting items, both as explained on page 12.

Non-cash add backs of impairments and adjusting items (including profit on disposal of associates) are explained within the CFO report on page 12.

Lease liability repayments increased 5% to £420m, driven by the extra leases acquired with Hibbett and Courir, and our store expansion programme.

Total depreciation and amortisation was £786m, up £122m, or 18%, on the prior period. £60m of this increase was due to assets acquired through Hibbett and Courir. The remaining increase largely reflects our continued store investment programme, as well as a small increase from our supply chain investments in DCs, offset partly by a £10m reduction as a result of higher incremental borrowing rates applied to renewed leases resulting in a lower depreciation charge.

As a result, the Group operating cashflow net of lease repayments was £1,245m, which was an increase of £84m compared to the prior period, reflecting the cash generative nature of the JD Group.

There was an increase in working capital of £137m in the period, which was a £60m lower increase than the prior period. In particular, inventory increased only £10m versus the prior period excluding inventory acquired with Hibbett and Courir, as the increased inventory from new store openings was offset by improved management of inventory.

Capital expenditure in the period was £515m, down £15m on the prior period. Continued investment in new store openings in support of our strategic plan to increase the number of JD brand fascia stores around the world was offset by lower investment in our supply chain. Significant investment was made in the supply chain in FY24 as we developed new DC capacity in Europe, and Australia.

	52 weeks to 1 February 2025	53 weeks to 3 February 2024
	£m	£m
Stores & gyms	346	309
Supply chain infrastructure	110	151
Technology and other	59	70
Total capital expenditure excluding Other Non-Current Assets	515	530

Tax payments increased from £208m to £243m due to the timing of higher payments made in the period and lower payments in the prior period, especially in the UK.

Net cashflow before dividends, financing, acquisitions and disposals increased £123m to £339m in the period, compared to £216m in the prior period, demonstrating the ongoing cash generative nature of the JD Group.

The drawdown of interest-bearing loans and borrowings includes a new Term Loan Facility Agreement drawn by the Group for a total commitment of \$1 billion for the purpose of acquiring Hibbett.

On 25 July 2024, the commitment was drawn in full to facilitate the completion of the acquisition. Post acquisition repayments were made on the Term Loan and, as at 1 February 2025, the balance remaining was \$700m. The remaining repayment of interest-bearing loans and borrowings is £198m debt acquired through Courir and £37m through Hibbett.

The Group is currently in the process of refinancing its existing debt facilities of the £700m RCF, \$300m Asset Backed Loan and \$700m Hibbett term loan. Based on ongoing discussions with lenders and market conditions, the Group expects to complete the refinancing during H1 FY26.

Acquisition of subsidiaries and NCIs was £1,157m with £812m paid for Hibbett and £275m for Courir (net of cash acquired on both acquisitions of £76m) and excluding bank debt paid off post-acquisition. The total cost of Hibbett and Courir including £30m cash acquisition costs, debt repayment on acquisition, net of cash acquired, was £1,352m.

Acquisitions of five smaller NCIs amounted to £40m. See acquisitions and disposals notes 6 and 7 for further details.

Cash received on disposal of subsidiaries and associates was £95m, of which the most significant disposal was £73m cash received from the part disposal of our stake in Applied Nutrition.

As a result, the change in net cash and cash equivalents was an outflow of £407m. Despite this reduction, we retained a strong balance sheet as our closing cash and cash equivalents and bank overdrafts balance was £695m, and net cash before lease liabilities was £52m.

Acquisitions

We expanded our Complementary Concepts offering in the year through the acquisitions of Hibbett and Courir.

Hibbett

On 25 July 2024, the Group acquired 100% of the shares in Hibbett Inc ('Hibbett') for \$1,077m. Headquartered in Birmingham, Alabama, Hibbett is a leading sports fashion-inspired retailer with 1,179 stores located within communities in 36 states across the US at the time of acquisition. Its main retail fascias are Hibbett and City Gear.

The acquisition enhances our presence in North America and ensures the Group has a proposition for consumers in key, under serviced US communities. We have split our US fascias into three categories - 'Mass', 'Reach' and 'Focus'. 'Mass' is the JD fascia, which targets the same young consumer that we target with the JD fascia around the world. 'Reach' is both the Hibbett fascia for convenient locations in underserved communities and the Finish Line fascia within Macy's for an older, more female customer. And 'Focus' is using Shoe Palace, DTLR and City Gear to focus on specific urban communities across North America.

Hibbett also provides an enhanced platform for the mall-led, nationwide growth of the JD brand in North America with its efficient supply chain and strong back office. The deal is expected to be earnings accretive in the first full year following acquisition, with expected cost synergies of at least \$25 million over the medium term across our North American business. This acquisition will strengthen our brand relationships further as we continue to deliver a differentiated and world-class omnichannel, multi-fascias proposition for customers and allow us to grow ahead of the North America market and improve our return on space.

Courir

On 27 November 2024, the Group acquired 100% of the shares in Groupe Courir SAS ('Courir') for €391m. Post acquisition the Group repaid €198m of bank debt acquired. Courir is a market leader in sneakers in France, which is the largest sneaker market in Europe, and the acquisition reinforces our position within Europe. Looking forward, we are aiming to grow the Courir brand in Europe.

Courir had 306 stores on acquisition with 303 bannered as Courir across France, Spain, Belgium, the Netherlands, and Luxembourg. This excludes 21 stores across France and Portugal that were sold before the end of FY25 to comply with European Competition regulation. In addition, there are a further 35 stores which trade under franchise agreements as Courir in North West Africa, Middle East and French overseas territories.

Other Acquisitions

During the period, we also purchased the remaining NCI shareholdings in DTLR Inc, Mainline Menswear Holdings Limited, Sport Zone Canarias SL and JD Canary Islands Sports SL, and 2.5% of the NCI in JD Gyms (2.5% remaining).

Disposals

On 20 November 2024, the Group disposed of its 49% equity interest shareholding in a joint venture, PT JD Sports Fashion Indonesia ('JD Indonesia'), for cash consideration of £6 million.

In October 2024 the Group disposed of 21.58% of its shareholding in Applied Nutrition, as part of an IPO listing on the London Stock Exchange for cash proceeds of £73m. A gain of £75m arising from the disposal and gain on revaluation of the retained investment on the date of disposal is recognised as an adjusting item.

We also divested of a further three non-core businesses; Bodytone International Sport SL, Total Swimming Holdings Limited and Gym King (Holdings) Limited.

Capital Allocation Priorities, Dividends and Share Buyback Programme

The Board recognises that the Group is cash generative and is committed to further enhancing returns to shareholders.

The strategy is therefore to drive shareholder value by growing organic revenue ahead of the market and growing profit ahead of revenue. This will drive strong cash generation and enhance shareholder returns.

Underpinned by a strong balance sheet, our capital allocation priorities are:

- Organic investment in the business. We expect capital expenditure to trend from c.5% of revenue to 3-3.5% over the medium term.

- Ensure we can meet future commitments including the buyout of the Genesis NCI in 2029 and 2030. See the post balance sheet event note 14 for further detail.
- Pay a progressive dividend.
- Using surplus cash to improve returns, either through increasing investment in the Group, M&A or providing incremental returns to shareholders.

Consequently, the Board is proposing to increase the total dividend per share for the period to 1.00p (2024: 0.90p). This results in a recommended final dividend per share of 0.67p, reflecting a one-third/two-thirds split between the interim and the final dividend, keeping the payment split in line with the phasing of profit generated in the period.

Given the weight of trading is biased towards the second half in the year, we propose to set the interim dividend in future as being one third of the prior year full year dividend with the final dividend reflecting trading for the full year.

In addition, the Board has recognised the Group is now moving into a lower phase of capital investment with no material M&A opportunities in the pipeline and, reflecting the liquidity headroom created by the deferral of the Genesis option, it is now in a position to provide incremental shareholder returns. In line with this, the Group has commenced an initial share buyback programme of up to £100m. The programme will complete no later than 31 July 2025.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Total assets at period end of £9,954m represents an increase compared to the prior period end of £8,048m total assets. The acquisitions of Hibbett and Courir have contributed significant balances across all lines of the Consolidated Statement of Financial Position. The most significant of which are goodwill of £777m, fascia names of £260m, property, plant and equipment of £227m, right of use assets of £413m and inventories of £357m.

Total liabilities have also increased compared to the prior period end to £6,582m (2024: £5,179m). Interest bearing loans and borrowings have increased from £130m to £679m with the \$1bn term loan taken out in the period (\$700m outstanding at 1 February 2025). Lease liabilities increased by £492m largely through the Hibbett and Courir acquisitions.

The change in net cash and cash equivalents was an outflow of £407m for reasons explained above. Despite this reduction, the Group retained a strong balance sheet with net cash before lease liabilities* of £52m.

STORE PORTFOLIO

The Group has continued to invest in growing the JD fascia across its key markets, while reducing the number of non-JD stores as the business is simplified and it pursues its JD Brand First strategy.

JD

We opened 205 new stores, in addition, we converted 21 stores to the JD fascia in MIG and ISRG that were previously within Complementary Concepts, and converted 29 Finish Line stores to JD fascia.

We closed 103 stores, of which 29 were JD fascia, mostly in Europe, 66 were Finish Line and Macy's, as we continued to rationalise our store portfolio in North America. In addition there were eight other fascia closures.

We opened the period with 1,903 stores, of which 1,252 were JD fascia (66%), and we ended with 2,026 stores of which 1,475 were JD fascia (73%), 257 were Finish Line fascia and 256 Macy's.

After opening four new gyms, closing one and acquiring four gyms, the Group now has 92 JD gyms in the UK market.

Complementary Concepts

In Complementary Concepts, we ended the period with 2,221 stores, including 999 Hibbett, 251 DTLR, 200 City Gear, 199 Shoe Palace and 297 Courir stores. 81 stores were opened in the period with 36 in Hibbett and City Gear, 22 in Shoe Palace and 15 in DTLR.

There were 132 closures in the period, of which 101 are within MIG, with eight stores converting to the JD fascia, as part of our programme to reduce the number of non-JD fascia stores in Eastern and Central Europe as we simplify the business.

Sporting Goods and Outdoor

In Sporting Goods, we opened 13 stores across Iberia, Greece and Cyprus and converted 13 stores within ISRG to the JD fascia.

In Outdoor, we closed 24 stores, most of which were Blacks, and converted 27 Blacks stores to the Go Outdoor fascia.

Franchise

In addition, the Group now has 23 JD stores operating under three franchise agreements across the Middle East, Southeast Asia and South Africa, and 35 Courir franchised stores across ten countries.

A summary of the total store movements in the period is below.

No. of stores		Opening	New stores	Closures	Acquisitions	Transfers	Closing
JD Brand	UK	431	17	(14)	-	-	434
	North America	240	73	(3)	-	29	339
	Finish Line	606	2	(66)	-	(29)	513
	Europe	537	99	(19)	-	21	638
	Asia Pacific	89	14	(1)	-	-	102
	Total	1,903	205	(103)	-	21	2,026
Complementary Concepts	North America	423	73	(23)	1,179	-	1,652
	Europe	372	8	(109)	306	(8)	569
	Total	795	81	(132)	1,485	(8)	2,221
Sporting Goods & Outdoors	Europe (Sporting Goods)	376	13	(4)	-	(13)	372
	UK (Outdoor)	243	12	(24)	-	-	231
	Total	619	25	(28)	-	(13)	603
Group	Total	3,317	311	(263)	1,485	-	4,850

POST-BALANCE SHEET EVENTS

Genesis Put and Call Amendment

In March 2025, an amendment was made to the Genesis shareholders' agreement. Under the revised terms, the exercise periods for the Non-Controlling Interest (NCI) put option and the JD call options have been deferred and can now be exercised in two equal instalments of 10% with two exercise periods, as opposed to the previous agreement of four equal instalments of 5%.

The first exercise period for the options will now occur following the financial year ending in 2029, and the second exercise period will be following the financial year ending in 2030. As a result of this change, the current portion of the liability will be presented as non-current at FY26.

The method for calculating the option price remains unchanged and continues to be based on a multiple of earnings before interest, tax, depreciation and amortisation (EBITDA) for the relevant financial period, adjusted for post-closing cash and debt. The cap on the total liability remains unchanged at £1.5bn.

Share Buyback

As referenced above, the Group has commenced a share buyback programme of £100m on 9 April 2025, which will complete no later than 31 July 2025.

Consolidated Income Statement

For the 52 weeks ended 1 February 2025

	Note	52 weeks to 1 February 2025			Restated (1) 53 weeks to 3 February 2024		
		Profit before adjusting items £m	Adjusting items £m	Profit for the period £m	Profit before adjusting items £m	Adjusting items £m	Profit for the period £m
Revenue	2	11,458	-	11,458	10,542	-	10,542
Cost of sales	3	(5,986)	(9)	(5,995)	(5,494)	-	(5,494)
Gross profit		5,472	(9)	5,463	5,048	-	5,048
Selling and distribution expenses		(3,933)	-	(3,933)	(3,623)	-	(3,623)
Administrative expenses	3	(520)	(137)	(657)	(434)	(102)	(536)
Share of profit of equity-accounted investees		5	-	5	8	-	8
Other operating income		25	-	25	30	-	30
Operating profit		1,049	(146)	903	1,029	(102)	927
Finance income		27	-	27	39	-	39
Finance expenses	3	(153)	(62)	(215)	(102)	6	(96)
Impairment loss on financial assets		-	-	-	-	(59)	(59)
Net financial expense		(126)	(62)	(188)	(63)	(53)	(116)
Profit before tax		923	(208)	715	966	(155)	811
Income tax expense	4	(222)	47	(175)	(237)	31	(206)
Profit for the period		701	(161)	540	729	(124)	605
Attributable to equity holders of the parent				490			539
Attributable to non-controlling interest				50			66
Basic earnings per ordinary share	5			9.50p			10.45p
Diluted earnings per ordinary share	5			9.50p			10.45p

(1) For the financial period ended 1 February 2025, the Group has updated the adjusting items policy to include the amortisation of acquired intangible assets. Please refer to Note 3 for further details of the restatement.

Consolidated Statement of Comprehensive Income

For the 52 weeks ended 1 February 2025

	52 weeks to 1 February 2025 £m	53 weeks to 3 February 2024 £m
Profit for the period	540	605
Other comprehensive income:		
Items that may be classified subsequently to the Consolidated Income Statement:		
Exchange differences on translation of foreign operations	28	(31)
Items that won't be classified subsequently to the Consolidated Income Statement:		

Fair value movement on financial investments	4	-
Total other comprehensive income/(expense) for the period	32	(31)
Total comprehensive income for the period (net of income tax)	572	574
Attributable to equity holders of the parent	514	513
Attributable to non-controlling interest	58	61

The accompanying notes form part of the announcement.

Consolidated Statement of Financial Position

As at 1 February 2025

	Note	As at 1 February 2025 £m	As at 3 February 2024 £m
Non-current assets			
Intangible assets		2,364	1,429
Property, plant and equipment		1,490	1,152
Investment properties		3	3
Right-of-use assets		2,813	2,297
Other assets		71	54
Investments in associates and joint ventures		1	44
Other Investments		38	-
Trade and other receivables		1	1
Deferred tax assets	4	32	24
Total non-current assets		6,813	5,004
Current assets			
Inventories		2,021	1,593
Trade and other receivables		277	253
Income tax receivables		55	11
Cash and cash equivalents		731	1,153
Current assets excluding held-for-sale		3,084	3,010
Assets held-for-sale	12	57	34
Total current assets		3,141	3,044
Total assets		9,954	8,048
Current liabilities			
Interest-bearing loans and borrowings		(88)	(93)
Lease liabilities		(493)	(416)
Trade and other payables		(1,580)	(1,446)
Put and call option liabilities	8	(188)	-
Provisions		(10)	(8)
Income tax liabilities		(20)	(26)
Current liabilities excluding held-for-sale		(2,379)	(1,989)
Liabilities held-for-sale	12	(50)	(8)
Total current liabilities		(2,429)	(1,997)
Non-current liabilities			
Interest-bearing loans and borrowings		(591)	(37)
Lease liabilities		(2,566)	(2,068)
Other payables		(145)	(155)
Put and call option liabilities	8	(669)	(810)
Provisions		(27)	(22)

Deferred tax liabilities	4	(155)	(90)
Total non-current liabilities		(4,153)	(3,182)
Total liabilities		(6,582)	(5,179)
Net assets		3,372	2,869
Capital and reserves			
Issued ordinary share capital		3	3
Share premium		468	468
Retained earnings		2,633	2,214
Share based payment reserve		4	3
Foreign currency translation reserve		91	71
Put and call option reserve		(277)	(302)
Total equity attributable to equity holders of the parent		2,922	2,457
Non-controlling interest		450	412
Total equity		3,372	2,869

The accompanying notes form part of the announcement.

Consolidated Statement of Changes in Equity

For the 52 weeks ended 1 February 2025

	Ordinary share capital £m	Share premium £m	Retained earnings £m	Put and call option reserve £m	Share- based payments reserve £m	Foreign currency translation reserve £m	Total equity attributable to equity holders of the parent £m	Non- controlling interest £m	Total equity
Balance at 28 January 2023	3	468	1,975	(425)	-	97	2,118	514	2,632
Profit for the period	-	-	539	-	-	-	539	66	605
Other comprehensive income:									
Exchange differences on translation of foreign operations	-	-	-	-	-	(26)	(26)	(5)	(31)
Total comprehensive income for the period	-	-	539	-	-	(26)	513	61	574
Dividends to equity holders	-	-	(50)	-	-	-	(50)	(2)	(52)
Additions to put and call options held with non- controlling interests	-	-	-	(429)	-	-	(429)	-	(429)
Lapsed and disposed put options held by non-controlling	-	-	129	72	-	-	201	-	201

interests									
Acquisition of non-controlling interest	-	-	(379)	480	-	-	101	(149)	(48)
Divestment of non-controlling interest	-	-	-	-	-	-	-	(12)	(12)
Share-based payment charge	-	-	-	-	3	-	3	-	3
Balance at 3 February 2024	3	468	2,214	(302)	3	71	2,457	412	2,869
Profit for the period	-	-	490	-	-	-	490	50	540
Other comprehensive income:									
Exchange differences on translation of foreign operations	-	-	-	-	-	20	20	8	28
Fair value movement on financial investments	-	-	4	-	-	-	4	-	4
Total comprehensive income for the period	-	-	494	-	-	20	514	58	572
Dividends to equity holders (Note 9)	-	-	(48)	-	-	-	(48)	-	(48)
Lapsed and disposed put options held by non-controlling interests	-	-	(10)	25	-	-	15	-	15
Acquisition of non-controlling interest (Note 6)	-	-	(17)	-	-	-	(17)	(16)	(33)
Divestment of non-controlling interest (Note 7)	-	-	-	-	-	-	-	(4)	(4)
Share-based payment charge	-	-	-	-	1	-	1	-	1
Balance at 1 February 2025	3	468	2,633	(277)	4	91	2,922	450	3,372

The accompanying notes form part of the announcement.

Consolidated Statement of Cash Flows

For the 52 weeks ended 1 February 2025

Note 52 weeks to 53 weeks

		1 February 2025 £m	to 3 February 2024 £m
Cash flows from operating activities			
Profit after taxation		540	605
Adjustments reconciling profit after tax to operating cash flows ⁽¹⁾	11	1,084	846
Cash generated from operations		1,624	1,451
Interest paid		(41)	(18)
Lease interest paid		(112)	(84)
Income taxes paid		(243)	(209)
Net cash from operating activities		1,228	1,140
Cash flows from investing activities			
Interest received		27	39
Proceeds from sale of non-current assets		3	11
Acquisition of intangible assets		(28)	(30)
Acquisition of property, plant and equipment		(487)	(500)
Acquisition of other non-current assets		(19)	(10)
Dividends received from equity-accounted investees		5	-
Cash consideration of disposals (net of cash disposed)	7	95	(54)
Acquisition of subsidiaries (net of cash acquired)	6	(1,090)	-
Net cash used in investing activities		(1,494)	(544)
Cash flows from financing activities			
Repayment of interest-bearing loans and borrowings		(501)	(125)
Drawdown of interest-bearing loans and borrowings		865	119
Repayment of lease liabilities		(420)	(400)
Deferred consideration paid		-	(5)
Acquisition of non-controlling interests	6	(37)	(552)
Equity dividends paid	9	(48)	(50)
Dividends paid to non-controlling interests in subsidiaries		-	(2)
Net cash used in financing activities		(141)	(1,015)
Net (decrease) in cash and cash equivalents		(407)	(419)
Cash and cash equivalents at the beginning of the period⁽²⁾	10	1,102	1,549
Foreign exchange losses on cash and cash equivalents	10	-	(28)
Cash and cash equivalents at the end of the period⁽²⁾	10	695	1,102

(1) The format of the Consolidated Statement of Cash Flows has been amended from the prior period to present adjustments reconciling profit after tax to operating cash flows in a separate Note 11.

(2) Cash and cash equivalents at 1 February 2025 includes £nil million (3 February 2024: £75 million) within assets held-for-sale (see Note 12).

The accompanying notes form part of the announcement.

1. Basis of Preparation

General Information

JD Sports Fashion Plc (the 'Company') is a company incorporated in the United Kingdom and registered in England and Wales. The financial statements for the 52 week period ended 1 February 2025 represent those of the Company and its subsidiaries (together referred to as the 'Group'), with the prior period comparatives being a 53 week period ended 3 February 2024. The financial statements were authorised for issue by the Board of Directors on 20 May 2025.

Basis of Preparation

While the financial information included in this preliminary announcement has been prepared in accordance with the recognition and measurement criteria of International Financial Reporting Standards (IFRSs), this announcement does not itself contain sufficient information to comply with IFRSs.

The announcement was approved by the Board of Directors on 20 May 2025. The financial information in this announcement does not constitute the Group's statutory accounts for the periods ended 1 February 2025, or 3 February 2024.

The statutory accounts for the year ended 1 February 2025, on which the auditors have given an unqualified audit report, have not yet been filed with the Registrar of Companies. The statutory accounts for the year ended 3 February 2024 have been delivered to the Registrar of Companies. The auditors have reported on those accounts; their report was unqualified, did not include a reference to any matters to which the auditors drew attention by way of emphasis without qualifying their report and did not contain a statement 498(2) or (3) of the Companies Act 2006.

The audited Consolidated Financial Statements from which the results are extracted have been prepared under the historical cost convention in accordance with IFRS (International Financial Reporting Standards), as adopted by those parts of the Companies Act 2006 applicable to companies reporting under IFRS. The standards used are those published by the International Accounting Standards Board (IASB) and effective at the time of preparing these financial statements.

The Directors consider it appropriate to adopt the going concern basis of accounting in preparing the financial statements of the Group and Company.

Going Concern

The Directors have prepared the Group and the Company financial statements on a going concern basis for the following reasons:

At 1 February 2025 the Group had a total cash and cash equivalents balance of £695 million (3 February 2024: £1,102 million). The Group has committed UK borrowing facilities of £700 million (3 February 2024: £700 million) that are available up to 6 November 2026, of which £36 million (3 February 2024: £Nil) has been drawn down in the period. The Group has US facilities, excluding the new term loan to acquire Hibbett, of approximately \$300 million is available up until 24 September 2026. Of this \$300 million, \$15 million (3 February 2024: \$13 million) was drawn down in the period.

On 23 April 2024, the Group entered into a new Term Loan Facility Agreement for a total commitment of \$1 billion for the purpose of acquiring Hibbett Inc. On 25 July 2024 the commitment was drawn in full to facilitate the completion of the acquisition. Post acquisition repayments have been made on the Term Loan and as at 1 February 2025 the balance remaining is \$700 million. The Term of the facility is 27 months to July 2026 after allowing for extension options in sole discretion of the Group.

The total liquidity from cash and available facilities is therefore c.£1.8 billion at 1 February 2025 (3 February 2024: c.£2.0 billion).

There has been no material change in the extent of cash and facilities available since the period end.

The Group is currently in the process of refinancing its existing debt facilities of the £700m RCF, \$300m Asset Backed Loan and \$700 Hibbett term loan. Based on ongoing discussions with lenders and market conditions, the Group expects to complete the refinancing during H1 FY26.

These facilities are subject to certain covenants. The Directors believe that the Group is well placed to manage its business risks successfully despite the current uncertain economic outlook.

The Directors have prepared cash flow forecasts for the Group covering a period of at least 12 months from the date of approval of the Group and Company financial statements, including a range of severe but plausible downside scenarios. These forecasts indicate that the Group and Company will be able to operate within the level of its agreed facilities and in compliance with applicable covenants.

The Directors have prepared severe but plausible downside scenarios which cover the same period as the base case. An increase of US cost of goods arising from geopolitical uncertainty has been considered, in addition to a range of reasonably plausible downside scenarios,

for the purposes of viability reporting. This has considered the specifics of a significant business continuity event adversely impacting one of the Group's main Distribution Centres (Kingsway) across the Q4 FY26 peak trading period; a significant cyber-attack resulting in a significant proportion of the Group's stores being unable to trade for a period of one month, impacting the peak trading period of December 2025; and a severe but plausible reduction in the allocation of stock, or business interruption impacting the availability of stock, from one of our key Sports Fashion suppliers.

The forecast cash flows reflecting the above scenarios indicate that there remains sufficient headroom for the Group to operate within the committed facilities and to comply with all relevant banking covenants during the forecast period. Furthermore, mitigating actions within the Group's control could be taken, should these severe but plausible scenarios occur, including reductions in capital expenditure, discretionary spend and dividends. These mitigating actions have not been modelled.

A reverse stress test has also been performed on the base forecasts which indicates that a combination of the above severe but plausible scenarios all occurring at the same time would be required for the Group to breach a covenant before consideration of mitigating actions. A combination of all the factors above would not exhaust liquidity. This is not considered to be a plausible scenario, as the combination of all scenarios simultaneously is considered to be exceptionally remote.

The Directors have considered all of the factors noted above and are confident that the Group has adequate resources to continue to meet all liabilities as and when they fall due for a period of at least 12 months from the date of approval of these financial statements. Accordingly, the financial statements have been prepared on a going concern basis.

Alternative Performance Measures

The Directors measure the performance of the Group based on a range of financial measures, including measures not recognised by UK-adopted International Financial Reporting Standards. These Alternative Performance Measures may not be directly comparable with other companies' Alternative Performance Measures and the Directors do not intend these to be a substitute for, or superior to, IFRS measures. The Directors believe that these Alternative Performance Measures assist in providing additional useful information on the trading performance of the Group.

Alternative Performance Measures are used to enhance the comparability of information between reporting periods, by accounting for adjusting items. Adjusting items are disclosed separately when they are considered unusual in nature and not reflective of the trading performance and profitability of the Group. The separate reporting of adjusting items, which are presented as adjusting within the relevant category in the Consolidated Income Statement, helps provide an indication of the Group's trading performance. An explanation as to why items have been classified as adjusting is given in Note 3. Further information can be found in the Alternative Performance Measures section on pages 41 to 46.

For the financial period ended 1 February 2025, the Group has updated the adjusting items policy to include the amortisation of acquired intangible assets. This update is intended to provide greater clarity over the underlying trading performance of the Group. The updated policy is in line with the majority of large, UK listed retail companies and therefore assists with comparability. See Note 3 for further detail.

Adoption of New and Revised Standards

The following new standards and amendments became effective for the period ended 1 February 2025. These have no significant impact on the consolidated results or financial position.

- Amendments to IAS 1 - Classification of Liabilities as Current or Non-Current;
- Amendments to IFRS 10 - Lease Liability in a Sale and Leaseback;
- Amendments to IAS 1 - Non-Current Liabilities with Covenants;
- Amendments to IAS 7 and IFRS 7 - Supplier Finance Arrangements; and,
- Amendments to IFRS 16 - Leases - Lease Liability in a Sale and Leaseback.

At the date of authorisation of these consolidated Financial Statements, the Group has not applied the following new and revised standards and amendments that have been issued but are not yet effective:

- Amendments to IAS 21 - Lack of Exchangeability (effective from 1 January 2025);
- Amendments to IFRS 9 and IFRS 7 - Classification and Measurement of Financial Instruments (effective from 1 January 2026);
- Amendments to IFRS 9 and IFRS 7 - Contracts Referencing Nature-dependent Electricity (effective from 1 January 2026);
- IFRS 19 Subsidiaries without Public Accountability (effective from 1 January 2027); and,
- IFRS 18 Presentation and Disclosures in Financial statements (effective from 1 January 2027).

The Group continues to monitor the potential impact of other new standards and interpretations which may be endorsed and require adoption by the Group in future reporting periods.

Critical Accounting Judgements and Key Sources of Estimation Uncertainty

The preparation of financial statements in conformity with adopted IFRSs requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses.

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements and estimates about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

Critical Accounting Judgements

The following are critical judgements, apart from those involving estimations (which are presented separately below), that management have made in the process of applying the Group's accounting policies and that have the most effect on the amounts recognised in the Consolidated Group Financial Statements.

Adjusting Items

Management exercises significant judgement in assessing whether items should be classified as adjusting items. This assessment covers the nature of the item, cause of occurrence and/or scale of impact of that item on the reported performance. In determining whether an item should be presented as adjusting, the Group considers items which are significant because of either their size or their nature which management believe would distort an understanding of earnings if not separately presented.

An explanation as to why items have been classified as adjusting is given in Note 3. Further information about metrics that the Group utilise which exclude adjusting items can be found in the Alternative Performance Measures section on pages 41 to 46.

Key Sources of Estimation Uncertainty

The key assumptions about the future, and other key sources of estimation uncertainty at the reporting period end, that may have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial period are discussed below:

Genesis Put and Call Option

Genesis Put and Call Option agreements that allow the Group's equity partners to require the Group to purchase a non-controlling interest are recorded in the consolidated balance sheet initially at the present value of the redemption amount, in accordance with IAS 32 Financial Instruments: Presentation. On initial recognition, the corresponding amount is recognised against the put and call option reserve. Changes in the measurement of the financial liability due to the unwinding of the discount or changes in the amount that the Group could be required to pay are recognised in the Consolidated Income Statement. If the contract expires without delivery, the carrying amount of the financial

liability is reclassified to equity, otherwise the financial liability is derecognised for the amount settled.

The key significant option outstanding as at 1 February 2025 relates to the Group's US sub-group, Genesis. The Genesis put liability at 1 February 2025 was £831 million (2024: £763 million).

The Group uses a third-party valuation expert to independently determine the present value of the exercise price of the Genesis put and call options. The approach uses a Monte-Carlo simulation model applying a geometric Brownian motion to project the share price and an arithmetic Brownian motion for the projection of EBITDA forecasts.

The critical estimate used to value the put and call option liability is the EBITDA forecasts and growth assumptions for future periods. Further information about the sensitivities used can be found in Note 8.

2. Segmental analysis

Information regarding the Group's reportable segments for the 52 weeks to 1 February 2025 is shown below. The balances presented are the key performance metrics assessed by the CODM (Chief Operating Decision Maker).

As announced in the Group's FY24 Trading Update on 28 March 2024, these financial statements to 1 February 2025 have been presented under the new segmentation used for reporting. The appointment of Regis Schultz as CEO on 2 August 2022 and subsequent announcement of a refinement in strategy at the Capital Markets day on 2 February 2023 resulted in a change in focus with respect to JD fascia's, territories and vision for the Group over the next five years. This has continued to lead to various alterations in internal reporting, business review and resource allocation over the 2023-2024 period. Consequently, a new reporting structure has been derived in order to provide the CODM with information required to deliver the renewed strategy for the Group. The internal reporting changed at the beginning of FY25, and therefore this triggered a change to the Group's operating segments. Acquisitions in the period Hibbett and Courir are reported under Complementary Concepts, and following the NCI acquisition of the Mainline business, this now sits under JD for FY25, a change from 'Other' in FY24. This is consistent with IFRS 8, whereby changes in the composition of operating segments must be considered when there has been a significant internal reorganisation.

Within the FY24 RNS, a proforma disclosure of the Group's FY24 results under the new segments was presented. As disclosed in our 22 August 2024 'Additional Financial information', upon further review of the disclosure, a gross up difference of £49m was identified in relation to the consolidation entries between "JD" and "Other" requiring an increase in JD operating profit before adjusting items and a decrease in Other. There is no impact on the consolidated numbers.

Income statement	JD £m	Complementary Concepts £m	Sporting Goods and Outdoors £m	Total £m
Revenue	7,798	2,165	1,495	11,458
Gross profit before adjusting items	3,804	998	670	5,472
Gross margin before adjusting items	48.8%	46.1%	44.8%	47.8%
Operating costs before adjusting items	(3,059)	(785)	(579)	(4,423)
Operating profit before adjusting items	745	213	91	1,049
Operating margin before adjusting items	9.6%	9.8%	6.1%	9.2%
Net finance expense	(86)	(24)	(16)	(126)
Profit before tax and adjusting items	659	189	75	923

Assets and liabilities	JD £m	Complementary Concepts £m	Sporting Goods and Outdoors £m	Total £m
Inventories	1,009	651	361	2,021

Other segment information	JD £m	Complementary Concepts £m	Sporting Goods and Outdoors £m	Total £m
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Capital expenditure:				
Intangible assets (Software development)	21	1	6	28
Property, plant and equipment	397	44	37	478
Depreciation, amortisation and impairments:				
Amortisation of intangible assets	53	29	15	97
Depreciation of property, plant and equipment	172	27	31	230
Depreciation of right-of-use assets	282	108	68	458
Impairment of non-current assets (adjusting items)	104	-	-	104
Impairment of non-current assets (non-adjusting items)	4	4	1	9

The comparative segmental results for the 53 weeks to 3 February 2024 are shown below:

Income statement	Restated ⁽¹⁾ JD £m	Restated ⁽¹⁾ Complementary Concepts £m	Restated ⁽¹⁾ Sporting Goods and Outdoors £m	Restated ⁽¹⁾ Other £m	Restated ⁽¹⁾ Total £m
Revenue	7,593	1,341	1,569	39	10,542
Gross profit before adjusting items	3,703	634	694	17	5,048
Gross margin before adjusting items	48.8%	47.3%	44.2%	43.6%	47.9%
Operating costs before adjusting items	(2,909)	(462)	(635)	(13)	(4,019)
Operating profit before adjusting items	794	172	59	4	1,029
Operating margin before adjusting items	10.5%	12.8%	3.8%	10.3%	9.8%
Net finance expense	(31)	(16)	(16)	-	(63)
Profit before tax and adjusting items	763	156	43	4	966

Assets and liabilities	Restated ⁽¹⁾ JD £m	Restated ⁽¹⁾ Complementary Concepts £m	Restated ⁽¹⁾ Sporting Goods and Outdoors £m	Restated ⁽¹⁾ Total £m
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Inventories	959	307	327	1,593
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Other segment information	Restated ⁽¹⁾ JD £m	Restated ⁽¹⁾ Complementary Concepts £m	Restated ⁽¹⁾ Sporting Goods and Outdoors £m	Restated ⁽ⁿ⁾ Total £m
Capital expenditure:				
Intangible assets (software development)	25	1	4	30
Property, plant and equipment	449	48	33	530
Depreciation, amortisation and impairments:				
Amortisation of intangible assets	29	14	30	73
Depreciation of property, plant and equipment	128	26	24	178
Depreciation and amortisation of right-of-use assets	271	77	65	413
Impairment of non-current assets (adjusting items)	10	-	29	39
Impairment of non-current assets (non-adjusting items)	-	-	22	22

- (1) For the financial period ended 1 February 2025, the Group has changed the reportable and operating segments. Acquisitions in the period Hibbett and Courir are reported under Complementary Concepts, and following the NCI acquisition of the Mainline business, this now sits under JD for FY25, a change from 'Other' in FY24, and meaning for FY25 there is no longer an 'Other' segment.

Geographical Information

The following table provides analysis of the Group's revenue by geographical market, irrespective of the origin of the goods/services:

Revenue	52 weeks to 1 February 2025 £m	53 weeks to 3 February 2024 £m
UK	3,205	3,509
Europe	3,510	3,094
North America	4,242	3,414
Asia Pacific	501	525
	11,458	10,542

The revenue from any individual country, with the exception of the UK (£3,205m) and US (£4,111m) is not more than 10% of the Group's total revenue.

Revenue by Channel

Revenue	52 weeks to 1 February 2025 £m	53 weeks to 3 February 2024 £m
Retail stores	9,081	7,957
Online	2,251	2,350
Other ⁽¹⁾	126	235
	11,458	10,542

(1) Other relates to revenue from gym memberships, wholesale and commission sales.

Revenue by Product Type

Revenue	52 weeks to 1 February 2025 £m	53 weeks to 3 February 2024 £m
Footwear	6,819	5,920
Apparel	3,550	3,408
Accessories	702	670
Other ⁽²⁾	387	544
	11,458	10,542

(2) Other relates to revenue from sales of outdoor living equipment, delivery income and revenue from gym memberships.

3. Adjusting Items

The Group exercises judgement in assessing whether items should be classified as adjusting items. This assessment covers the nature of the item, cause of occurrence and scale of impact of that item on the reported performance. In determining whether items should be presented as adjusting items, the Group considers items that are significant because of either their size or their nature which management believe would distort an understanding of earnings if not adjusted. In order for an item to be presented as an adjusting item, it should typically meet at least one of the following criteria:

- Impairments of tangible and intangible assets, investments and loan receivables not recoverable
- Unusual in nature or outside the normal course of business (for example, the non-cash movement in the present value of put and call options, and foreign currency movements on non-trading intercompany balances)
- Items directly incurred as a result of either an acquisition, an anticipated acquisition or a divestment, or arising from a major business change or restructuring programme (including the amortisation of acquired intangible assets, see below for further detail).

For the financial period ended 1 February 2025, the Group has updated the adjusting items policy to include the amortisation of acquired intangible assets. This update is intended to provide greater clarity over the underlying trading performance of the Group and the change has been applied retrospectively.

The separate reporting of items, which are presented as adjusting items within the relevant category in the Consolidated Income Statement, helps provide an indication of the Group's trading performance in the normal course of business. The tax impact of these adjusting items is a tax credit of £47 million (2024: £31 million) as shown on the face of the Consolidated Income Statement.

The total charge for the period is £208 million, of which £57 million relates to a net cash inflow and £265 million was a non-cash charge.

	52 weeks to 1 February 2025 £m	Restated ⁽¹⁾ 53 weeks to 3 February 2024 £m
Items as a result of acquisitions, divestments, major business changes or restructuring:		
Acquisition-related costs	9	-
Cost of Sales - Adjusting items	9	-
Items as a result of acquisitions, divestments, major business changes or restructuring:		
Acquisition-related costs	36	11
Divestment and restructuring	(78)	38
Integration	5	-
Gain arising on deconsolidation ⁽²⁾	-	(36)
Amortisation of acquired intangibles	57	49
Deferred consideration charge	-	1
Impairments of tangible and intangible assets and investments:		
Impairments of tangible and intangible assets and investments	112	39
Items that are unusual in nature or outside the normal course of business:		
Foreign exchange movements	5	-
Administrative expenses - Adjusting items	137	102
Items that are unusual in nature or outside the normal course of business:		
Put and call option charge / (credit) for the period (Note 8)	62	(6)
Finance expenses - Adjusting items	62	(6)
Impairments of loan receivables not recoverable ⁽³⁾	-	59
Impairment loss on financial assets - Adjusting items	-	59
Adjusting items	208	155

(1) For the financial period ended 1 February 2025, the Group has updated the adjusting items policy to include the amortisation of acquired intangible assets.

(2) A net gain of £36 million in the prior period arose following the deconsolidation of Sports Unlimited Retail ('SUR') after the entity entered bankruptcy on 6 December 2023. From this point onwards the entity was no longer under the control of JD Sports Fashion Plc and was deconsolidated.

(3) In the prior period, an impairment loss (£58 million) arose on the loan owed by Sports Unlimited Retail to Iberian Sports Retail Group and Sprinter Megacentros del Deporte SLU, at the time the entity entered bankruptcy. The remaining £1 million relates to other impairments.

Acquisition-related costs

Acquisition-related costs of £45 million are mainly in respect of the Hibbett and Courir acquisitions (£43 million) which completed in July and November 2024 respectively. £9 million of these costs are recognised within cost of sales, being the expensing of inventory fair value uplifts, and £36 million are recognised within administrative expenses (£30 million cash costs and £6 million non cash costs). The remaining £2 million relates to the acquisition costs incurred in buying out the 20% non-controlling interest ('NCI') in Mainline which completed in November 2024. Acquisition-related costs of £11 million were incurred in the prior period on the Courir acquisition.

Divestments and restructuring

During the current period, a total gain of £78 million was generated on divestments (2024: £32 million) and nil restructuring charges (2024: £7 million) were incurred. In October 2024 the Group disposed of 21.58% of its shareholding in Applied Nutrition. A gain of £51 million arising from the disposal (proceeds of £73 million were received) and gain of £24 million on revaluation of the retained investment on the date of disposal is recognised as an adjusting item. Net gains on other disposals amounted to £3 million.

Integration costs

The integration costs of £5m are associated with the integration of the Group's US business following the acquisition of Hibbett. This is the first part of a significant multi-year programme to create an integrated platform for the nationwide growth of the JD Brand and Community fascias in North America with an efficient supply chain and back office. We are expecting this programme to deliver at least \$25m annual savings over this time frame at a one-off cash cost of around 1x the savings delivered.

Amortisation of acquired intangibles

As disclosed in the FY24 annual report, we have extended the definition of adjusting items to include amortisation of acquired intangibles from our Profit before tax and adjusting items. This is a charge of £57 million in the period. We have restated the FY24 results for this change, leading to a £49 million charge moving from administrative expenses to adjusting items within administrative expenses.

Impairments of tangible and intangible asset and investments

The impairment of tangible and intangible assets and investments in the current period relates to the impairment of fascia names (£3 million), a debt owed by a joint venture partner (£4 million), the impairment of fixed assets and closure costs (£76 million) in relation to the Derby Distribution Centre and an impairment of right-of use assets and property, plant and equipment (£29 million) to reflect the expected closure of 46 under-performing stores within JD Europe following a strategic review of the European store estate.

The impairment of tangible and intangible assets in the prior period relates to the impairment of goodwill (£12 million), fascia name (£3 million), right-of-use assets (£3 million), and property plant and equipment (£2 million) arising on the acquisition of Total Swimming Holdings Limited. The charge also includes goodwill impairment prior to the divestment of GymNation (£8 million), the impairment of the Go Outdoors fascia (£10 million) and impairment of the goodwill and fascia names on three non-core businesses (£1 million)

Foreign exchange movements

Foreign exchange movements are losses on non-trading balances which are long term, interest bearing, non-trading intercompany loans held by JD Plc with foreign subsidiaries (in a foreign currency). The FX charge in FY24 was immaterial and has not been included in the table above.

Put and call option charge / (credit) for the period

The £62 million charge is the movement in the present value of the put and call options for the buyouts of NCI of Genesis Topco Inc (£68 million charge) and DTLR (£6 million credit). The charge on Genesis, the company that operates all our North America businesses and of which, the Group owns 80%, is driven by the acquisition of Hibbett, which has been brought into the Genesis group. In addition, there was a credit of £6 million in relation to the DTLR option, which was revalued prior to the acquisition of the NCI which was completed in the period.

4. Income Tax Expense

The total tax charge included in the Consolidated Income Statement consists of current and deferred tax.

Current Income Tax

Current tax is the expected tax payable on taxable income for the financial period, using the applicable enacted tax rates in each relevant jurisdiction. Tax expense is recognised in the Consolidated Income Statement except to the extent it relates to items recognised in the Consolidated Statement of Comprehensive Income or directly in the Consolidated Statement of Changes in Equity, in which case it is recognised in the relevant statement, respectively.

Deferred Tax

Deferred tax is accounted for using the balance sheet liability method, by providing for temporary differences that arise between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for:

- Goodwill not deductible for tax purposes.
- The initial recognition of assets or liabilities that affect neither accounting nor taxable profit.
- Differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realised, based on the tax rates that have been enacted or substantively enacted by the balance sheet date. Deferred tax is charged or credited in the Consolidated Income Statement, except when it relates to items charged or credited directly to the Consolidated Statement of Changes in Equity or the Consolidated Statement of Comprehensive Income, in which case the deferred tax is recognised in the relevant statement, respectively.

Deferred tax assets are reviewed at each reporting date. In considering their recoverability, the Group assesses the likelihood of them being recovered within a reasonably foreseeable timeframe and considers the future expected profit profile and business model of each relevant company or country, together with any legislative restrictions on use. This approach is consistent with that adopted for the assessment of other financial statement items, with the recognition period based on the appropriate jurisdictional tax rules. The estimates take account of the inherent uncertainties constraining the expected level of profit in some territories and any associated climate-related risks identified. Deferred tax assets and liabilities are offset against each other when there is a legally enforceable right to offset current taxation assets against current taxation liabilities and the intention is to settle these on a net basis.

Tax provisions are recognised for uncertain tax positions where a risk of an additional tax liability has been identified and it is probable that the Group will be required to settle that tax. Measurement is dependent on management's expectation of the outcome of decisions by tax authorities in the various tax jurisdictions in which the Group operates. This is assessed on a case-by-case basis using in-house tax experts, professional advisers and previous experience.

Pillar Two Model Rules

The OECD Pillar Two GloBE Rules (Pillar Two) introduce a global minimum corporation tax rate of 15% applicable to multinational enterprise groups with global revenue over €750m. All participating OECD members are required to incorporate these rules into national legislation. The Pillar Two rules applied to the Group for its accounting period commencing 4 February 2024.

On 23 May 2023, the International Accounting Standards Board (IASB) amended IAS 12 to introduce a mandatory temporary exception to the accounting for deferred taxes arising from the jurisdictional implementation of the Pillar Two model rules. On 19 July 2023 the UK Endorsement Board adopted the IASB amendments to IAS 12.

The definition of a 'Group' requires the impact of Pillar Two to be calculated in conjunction with that of Pentland Group Holdings Limited and its subsidiaries ('the Pentland Group'). The Group is working with the Pentland Group to ensure it will be compliant.

The Group has performed an assessment of its exposure to Pillar Two income taxes and the Pillar Two current tax charge for the period

ended 1 February 2025 is approximately £0.3m (this excludes any liability of the wider Pentland Group).

The Group is adopting the mandatory temporary exception from the recognition and disclosure of deferred taxes arising from the jurisdictional implementation of the Pillar Two model rules. The Group does not meet the threshold for application of the Pillar One transfer pricing rules.

	52 weeks to 1 February 2025 £m	53 weeks to 3 February 2024 £m
Current tax		
UK corporation tax at 25.0% (2024: 24.0%)	213	222
Adjustment relating to prior periods	(17)	(6)
Total current tax charge	196	216
Deferred tax		
Deferred tax (origination and reversal of temporary differences)	(23)	(3)
Adjustment relating to prior periods	2	(7)
Total deferred tax (credit)/charge	(21)	(10)
Income tax expense	175	206
	52 weeks to 1 February 2025 £m	53 weeks to 3 February 2024 £m
Profit before tax multiplied by the standard rate of corporation tax 25.0% ⁽¹⁾ (2024: 24.0%)	179	195
Effects of:		
Expenses not deductible ⁽²⁾	15	31
Put and call option movement not deductible ⁽³⁾	16	(3)
Depreciation and impairment of non-qualifying non-current assets ⁽⁴⁾	3	2
Utilisation of previously unrecognised tax losses ⁽⁵⁾	-	(1)
Non-taxable income ⁽⁶⁾	(23)	(21)
Effect of tax rates in foreign jurisdictions ⁽⁷⁾	(14)	(10)
Research and development tax credits and other allowances ⁽⁸⁾	(5)	(5)
Adjustments related to prior periods ⁽⁹⁾	(15)	(13)
Other differences in tax rate ⁽¹⁰⁾	-	1
Non-qualifying impairment of goodwill on consolidation ⁽¹¹⁾	-	2
Change in unrecognised temporary differences ⁽¹²⁾	4	13
Other taxes due ⁽¹³⁾	15	15
Income tax expense	175	206

(1) The standard rate of corporation tax for the period is 25%, the UK mainstream tax rate.

(2) Certain legal and professional fees, together with the losses incurred on the divestment of non-core businesses in the current period, are not deductible for tax purposes.

(3) The movements in the put and call options per Note 8 are not deductible for tax.

- (4) The depreciation adjustment relates to UK assets which are not eligible for capital allowances.
- (5) Following a return to profitability of certain Group subsidiaries in the prior period, brought forward losses were utilised and a deferred tax asset recognised in respect of any remaining losses.
- (6) Non-taxable gain on the sale of shares in associates.
- (7) A proportion of the Group's profits arise outside of the UK and are taxed at the prevailing tax rate.
- (8) R&D and general business tax credits have been claimed in the US and Spain.
- (9) The prior period adjustment reflects net current and deferred tax movements between Group reporting provisions and submitted returns.
- (10) The adjustment reflects the difference between the deferred tax rate and corporate income tax rate.
- (11) The impairment of goodwill on consolidation and investments in associates are non-deductible for corporate income tax purposes and does not attract deferred tax.
- (12) The adjustment represents losses created in the period for which no deferred tax asset has been recognised, due to a lack of certainty over future taxable profits arising.
- (13) Other taxes due are primarily in respect of US state taxes but also includes local taxes payable in other overseas jurisdictions. In the current period, this includes £0.3m of top up tax under the OECD Pillar Two GloBE Rules relating to operations in Ireland and Hungary.

In accordance with IAS 12, UK deferred tax has been recognised at the enacted rate of 25% at the balance sheet date. Deferred tax is recognised at the local enacted rate for overseas territories.

The Consolidated Statement of Financial Position shows the position after the legally enforceable right of offset. This results in an asset of £32 million (2024: £24 million) and a liability of £155 million (2024: net liability £90 million) in the Consolidated Statement of Financial Position. This reflects the net position of £123 million liability (2024: £66 million liability).

5. Earnings Per Ordinary Share

Basic and Adjusted Earnings Per Ordinary Share

The calculation of basic earnings per ordinary share at 1 February 2025 is based on the profit for the period attributable to equity holders of the parent of £490 million (2024: £539 million) and a weighted average number of ordinary shares outstanding during the 52 week period ended 1 February 2025 of 5,159,697,637 (2024: 5,158,135,745).

There have been no other transactions involving ordinary shares or potential ordinary shares in the period.

Adjusted basic earnings per ordinary share have been based on the profit for the period attributable to equity holders of the parent for each financial period but excluding the post-tax effect of adjusting items. The Directors consider that this gives a more useful measure of the trading performance and profitability of the Group.

	52 weeks to 1 February 2025 millions	53 weeks to 3 February 2024 millions
Issued ordinary shares at beginning and end of period	5,183	5,183

	52 weeks to 1 February 2025 £m	Restated ⁽¹⁾ 53 weeks to 3 February 2024 £m
Profit for the period attributable to equity holders of the parent	490	539
Adjusting items attributable to equity holders of the parent ⁽¹⁾⁽²⁾	194	149
Tax relating to adjusting items attributable to equity holders of the parent ⁽¹⁾	(45)	(29)
Profit for the period attributable to equity holders of the parent excluding adjusting items	639	659

	millions	millions
Weighted average number of ordinary shares at end of the period (basic)	5,160	5,158
Dilution - Effect of potentially dilutive share options and awards	-	-
Weighted average number of ordinary shares at the end of the period (diluted)	5,160	5,158
Basic earnings per ordinary share	9.50p	10.45p
Diluted earnings per ordinary share	9.50p	10.45p
Adjusted basic earnings per ordinary share - restated ⁽¹⁾	12.39p	12.81p
Adjusted diluted earnings per ordinary share - restated ⁽¹⁾	12.39p	12.81p

(1) See Note 3 for further details of the restatement.

(2) Adjusting items and associated tax attributable to the equity holders of the parent only.

6. Acquisitions

Business Combinations

The Group accounts for business combinations using the acquisition method when control is transferred to the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect the returns through its power over the entity.

Costs related to the acquisition, other than those associated with the issue of debt or equity securities, that the Group incurs in connection with a business combination are expensed within adjusting items as incurred.

The consideration transferred in the acquisition is measured at fair value, as are the identifiable net assets acquired. Any goodwill that arises is tested annually for impairment; however, any resulting impairment will not be tax deductible. The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in the Consolidated Income Statement.

Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not remeasured, and the settlement is accounted for within equity.

Otherwise, subsequent changes in the fair value of the contingent consideration are recognised in the Consolidated Income Statement.

Current Period Acquisitions

Acquisition of Hibbett, Inc. (100%)

On 25 July 2024, the Group acquired, via its existing subsidiary Genesis Holdings, Inc., 100% of the issued share capital of Hibbett, Inc. ("Hibbett") for total cash consideration of \$1,077 million (£835 million). The Genesis Holdings Group has a material 20% non-controlling interest.

Headquartered in Birmingham, Alabama, Hibbett is a leading sports fashion-inspired retailer with 1,179 stores, as of 25 July 2024, located in communities in 36 states across the US. Hibbett has been serving customers for more than 75 years with convenient locations, personalised customer service and access to leading brands across footwear, apparel and accessories. The acquisition expands on the Group's presence in the US market.

As part of the acquisition method of accounting, the assets and liabilities of Hibbett have been converted from US generally accepted accounting principles (GAAP) to IFRS Accounting Standards as adopted by the Group.

The table below sets out the identifiable net assets attributable to the acquisition of Hibbett as of the acquisition date and includes the effects of adjustments on the acquisition date balance sheet made during the measurement period and detailed below.

	Book Value £m	Measurement adjustments £m	Provisional fair value at 25 July 2024 £m
Acquiree's net assets at acquisition date:			
Non-Current Assets			
Intangible assets - fascia name	19	156	175
Intangible assets - other	7	-	7
Property, plant and equipment	140	43	183
Right of Use Assets	221	20	241
Other Assets	16	(11)	5
Current Assets			
Inventories	292	(2)	290
Cash and cash equivalents	24	-	24
Trade and other receivables	15	(5)	10
Prepayments	16	(2)	14
Income Tax	9	-	9
Current Liabilities			
Trade and other payables - current	(142)	(2)	(144)
Lease Liability - current	(53)	12	(41)
Interest bearing loans - current	(36)	-	(36)
Non-Current Liabilities			
Trade and other payables - non-current	(3)	-	(3)
Lease Liability - non-current	(203)	8	(195)
Deferred Tax Liability	(4)	(51)	(55)
Net identifiable assets	318	166	484
Goodwill on acquisition			351
Total consideration			835

The excess of consideration paid over the fair value of the net assets on acquisition of £351 million represents goodwill that reflects the market position of the business, the assembled workforce, the potential future growth opportunities from existing and new retail stores, and cost synergies across our North American businesses. The goodwill has been allocated to the Community operating segment which is in line with where the value is expected to be recovered. The goodwill is not deductible for tax purposes at the consolidated level.

Measurement adjustments

Additional intangible assets of £156 million have been recorded in relation to the acquisition with total intangible assets of £175 million representing the fair value of fascia names acquired. Fascia names have been valued using the relief from royalty method. The basic tenet is that without ownership of the subject intangible asset, the user of that intangible asset would have to make a stream of payments to the owner of the asset in return for the rights to use that asset. By acquiring the intangible asset, the user avoids these payments. A royalty rate of 2.5% has been used based on a comprehensive benchmarking exercise performed.

Deferred tax liabilities of £51 million have been recognised in relation to intangible assets. Further fair value adjustments of £61 million have been made to the acquisition date balance sheet of Hibbett. This amount includes a £43 million increase in the value of property, plant and equipment and a £2 million reduction in the value of inventory.

In addition, lease liabilities have been remeasured as if the acquired leases were a new lease at the acquisition date resulting in a decrease in the lease liability (current and non-current) of £20 million. This decrease in the liability arises due to i) the application of a discount rate determined in accordance with IFRS 16 at the acquisition date and ii) alignment with the Group's IFRS 16 accounting policy whereby charges for non-lease service components are recognised directly in the Consolidated Income Statement. Under its previous US GAAP accounting policy, Hibbett elected to combine non-lease service components with a lease component and account for them as part of its fixed asset payments thus including them in the measurement of the lease liability.

The associated right of use asset is remeasured on acquisition at an amount equal to the recognised lease liability and then adjusted to reflect the favourable or unfavourable terms of the lease, relative to market terms.

The measurement difference in relation to prepayments and other assets reflects a difference in the accounting treatment of capitalised software development costs between the accounting policies of the Group and those policies previously applied by Hibbett under US GAAP. Under US GAAP, Hibbett capitalised certain costs relating to the configuration of cloud computing arrangements. Under the Group's accounting policy, directly attributable software development costs in relation to the configuration and customisation of cloud computing arrangements are only capitalised to the extent they give rise to an asset controlled by the Group. The Group has conducted an assessment and identified £9 million of costs, capitalised as other assets and prepayments under US GAAP at the date of acquisition, which would not be capitalised under IFRS. As a result, an adjustment has been made to the opening balance sheet to reduce prepayments by £2 million and other assets by £7 million with a corresponding increase to goodwill. The remaining £4 million decrease to other assets represents a reversal of a deferred tax asset no longer recognised.

The trade and other receivables acquired of £10 million, net of provision, are expected to be recovered in full. The gross trade and other receivables acquired amounted to £10 million.

Currently all balances remain provisional and will be finalised in the next accounting period. These balances remain provisional due to outstanding relevant information in regard to facts and circumstances that existed as of the acquisition date and/or where valuation work is still being finalised.

Included in the 52 week period ended 1 February 2025, was revenue of £713 million and a profit before tax and adjusting items of £36 million in respect of Hibbett.

Acquisition costs amounting to £28 million related to the acquisition of Hibbett by the Group have been recognised within adjusting items in the Consolidated Income Statement. £19 million of these costs are cash costs of acquisition with £9 million representing non cash costs of fair value uplifts post acquisition. See Note 3 for further information.

Acquisition of Groupe Courir S.A.S (100%)

On 26 November 2024, the Group acquired, via its existing subsidiary JD France 100% of the issued share capital of Groupe Courir S.A.S ('Courir') for total cash consideration of €391.5 million (£326 million).

Courir is a market leader in sneakers in France, which is the largest sneaker market in Europe, and this acquisition reinforces the Group's position within Europe. Courir has 323 stores as of 26 November 2024, bannered as Courir across France, Spain, Belgium, the Netherlands, Portugal and Luxembourg. In addition, there are a further 36 stores which trade under franchise agreements as Courir in North West Africa, Middle East and French overseas territories. Further, there are three stores which trade as Naked, an elevated concept for women's sneakers.

The table below sets out the identifiable net assets attributable to the acquisition of Courir as of the acquisition date and includes the effects of adjustments on the acquisition date balance sheet made during the measurement period and detailed below.

	Book Value £m	Measurement adjustments £m	Provisional fair value at 26 November 2024 £m
Acquiree's net assets at acquisition date:			
Non-Current Assets			
Intangible assets - fascia name	49	39	88
Intangible assets - other	16	(15)	1
Legacy Goodwill	127	(127)	-
Property, plant and equipment	22	9	31
Right of Use Assets	156	-	156
Other Non current Assets	6	-	6
Current Assets			
Inventories	117	5	122
Trade and other receivables	18	-	18
Cash and cash equivalents	52	-	52
Deferred Tax Asset	5	(2)	3
Current Liabilities			
Trade and other payables - current	(89)	-	(89)
Interest bearing loans - current	(33)	-	(33)
Lease liabilities - current	(26)	-	(26)
Liabilities held-for-sale	(7)	-	(7)
Non-Current Liabilities			
Interest bearing loans - non-current	(184)	19	(165)
Lease liabilities - non-current	(125)	-	(125)
Provision - non-current	(7)	-	(7)
Deferred Tax Liability	(1)	(22)	(23)
Net identifiable assets	96	(94)	2
Goodwill on acquisition			324
NCI - Naked			-
Total consideration			326

The excess of consideration paid over the fair value of the net assets on acquisition of £324 million represents goodwill that reflects the market position of the business, the assembled workforce, the potential future growth opportunities from existing and new retail stores. The goodwill is not deductible for tax purposes at the consolidated level.

Measurement adjustments

The Courir fascia name has been valued at £88 million, resulting in a £39 million uplift to the book value of £49 million.

The measurement difference in relation to Intangible assets also reflects a difference in the accounting treatment of capitalised software development costs between Courir and the Group. Capitalisation of cloud computing is judgemental. While Courir capitalised certain costs relating to the configuration of cloud computing arrangements, under the Group's accounting policy, directly attributable software development costs in relation to the configuration and customisation of cloud computing arrangements are only capitalised to the extent they give rise to an asset controlled by the Group. The Group has conducted an assessment and identified £15 million of costs, capitalised previously as intangible assets at the date of acquisition, which would not be capitalised under the accounting policies followed by the group. As a result, an adjustment has been made to the opening balance sheet to reduce Intangible assets by £15 million with a corresponding increase to goodwill.

Further fair value adjustments of £10 million have been made to the acquisition date balance sheet of Courir. This amount includes a £9 million increase in the value of property, plant and equipment and a £5 million increase in the value of inventory. Deferred tax liabilities of £22 million have been recognised in relation to the fair value adjustments set out above. In addition, as a result of the transaction, deferred tax assets of £2 million are no longer considered recoverable and so have been derecognised.

The gross trade and other receivables acquired amounted to £18 million and are expected to be recovered in full. As a result no provision has been recorded. At the date of acquisition, liabilities held for sale amounted to £7 million relating to lease liabilities on the 21 stores sold to Snipes.

Trade and other payables included a liability for convertible bonds of £19 million, which had been issued by Courir to its previous shareholders. As part of the consideration for the acquisition (£326 million), the group also acquired the convertible bonds and the liability was written off with a corresponding impact to goodwill.

Currently all balances remain provisional and will be finalised in the next accounting period. These balances remain provisional due to outstanding relevant information in regard to facts and circumstances that existed as of the acquisition date and/or where valuation work is still being finalised.

Included in the 52-week period ended February 1, 2025 was revenue of £139 million and a profit before tax and adjusting items of £9 million in respect of Courir.

Acquisition costs amounting to £15 million related to the acquisition of Courir by the Group have been recognised within adjusting items in the Consolidated Income Statement.

Current Period Acquisitions - Acquisition of Non-Controlling Interests

Acquisition of the Non-Controlling Interest in Sport Zone Canarias (40%) and JD Canarias (10%)

On 8 April 2024, JD Spain Sports Fashion 2010 SL acquired the 10% minority shareholding in JD Canary Islands Sports SL, ('JD Canary') and SDSR - Sports Division SR, S.A. ('Sport Zone Portugal') acquired the 40% minority shareholding in Sport Zone Canarias (SL). Total consideration for both shareholdings was €20 million (£17 million). The JD Canary acquisition aligns with the JD Brand First strategy, whilst the Sport Zone Portugal acquisition promotes the JD Complementary Concepts. As the step-up acquisition in April 2024 does not result in a change of control, this has been accounted for as an equity transaction.

Acquisition of the Non-Controlling Interest in DTLR Villa LLC (1.155%)

On 15 July 2024, JD acquired 1.018% of the remaining 1.155% issued share capital in its existing subsidiary DTLR Villa LLC for cash consideration of \$9 million (£7 million). On 19 July 2024 JD acquired the remaining 0.137% issued share capital of DTLR Villa LLC for cash consideration of \$1 million (£1 million). The Group now owns 100% of the issued share capital of DTLR Villa LLC. In accordance with IFRS 10, the Group had previously assessed and concluded that it controlled the subsidiary. As the step-up acquisition in July 2024 does not result in a change of control, this has been accounted for as an equity transaction.

Acquisition of the Non-Controlling Interest in JD Gyms

On 28 October 2024, JD Sports Fashion plc acquired a further 2.5% minority shareholding in JD Sports Gyms Limited. Total consideration

was £5 million. JD now owns 97.5% of JD Sports Gyms. As the step-up acquisition in October 2024 does not result in a change of control, this has been accounted for as an equity transaction. Due to the step-up acquisition, the obligation to provide services was deemed to no longer exist and the related liability of £4m was subsequently derecognised in equity.

Acquisition of the Non-Controlling Interest in Mainline Menswear

On 27 September 2024, the Group acquired the 20% minority shareholding in Mainline Menswear Limited for a total £17 million consideration, including £9 million deferred consideration, which has been accounted for under IAS 19 as a service cost. JD now owns the full 100% shareholding in Mainline. Please see Held-for-sale Note 12 for further details. As the step-up acquisition in September 2024 does not result in a change of control, this has been accounted for as an equity transaction.

The table below presents the amounts recognised within retained earnings and non-controlling interest in the statement of changes in equity during the period:

	Retained earnings £m	Non-controlling interest £m	Total £m
DTLR	4	4	8
JD Sports Gyms	(2)	2	-
JD Canaries	2	1	3
Mainline	3	5	8
Sport Zone Canaries	10	4	14
Total Consideration	17	16	33

7. Divestments

Current Period Divestments - Applied Nutrition

The Group had an equity interest in a single associate, Applied Nutrition Limited ('Applied Nutrition'). On 7 May 2021, the Group acquired a 32% ownership interest in, and had significant influence over, Applied Nutrition. Applied Nutrition is a sports nutrition brand which operates via wholesale activities and a trading website.

On 24 October 2024, Applied Nutrition undertook an initial public offering and admitted its entire issued ordinary share capital, consisting of 250,000,000 shares, to the London Stock Exchange plc's main market for listed securities. The Group disposed of 21.58% of its shareholding in Applied Nutrition on 24 October 2024 for net proceeds of £73 million. At 1 February 2025 the Group holds 9.78% ownership in Applied Nutrition.

On disposal of its 21.58% shareholding, the Group ceased to hold significant influence over Applied Nutrition and has de-recognised its investment in associate. The remaining 9.78% is accounted for as a financial asset under IFRS 9. The fair value of the retained interest was £34 million.

A gain of £51 million arising from the disposal and gain on revaluation of the retained investment on the date of classification amounting to £24 million is recognised in profit and loss as an adjusting item included in 'Divestment and restructuring' line.

Current Period Divestments - Non-Significant Divestments

On 16 October 2024, the group disposed of Total Swimming Holdings Limited (60% equity interest) including its subsidiaries for total consideration of £11 million. The non-controlling interest at disposal was £1.4 million. The gain on disposal net of disposal costs is £14 million.

On 20 November 2024, the Group disposed of its 49% equity interest shareholding in a joint venture, PT JD Sports Fashion Indonesia ('JD Indonesia'), for cash consideration of £6 million. The loss on disposal net of disposal costs is £1 million.

On 28 July 2024, the Group disposed of Gym King Limited (40% equity interest) a fixed asset investment in a joint venture for cash consideration of £2 million. The loss on disposal net of disposal costs is £1 million.

On 7 March 2024, the Group disposed of Bodytone Limited (50.1% equity interest) for cash consideration of €2 million (£2 million). The non-controlling interest at disposal was £3.6 million. The loss on disposal net of disposal costs is £1 million.

The total net gain on divestments of £11 million is offset with an £8 million loss on divestments and restructuring of non-core group companies from the prior year.

The total gain on non-significant divestments amounts to £3 million.

8. Put and Call Option Liabilities

Put and call options are in place over all or part of the remaining non-controlling interest shareholding in various subsidiaries. The Group recognises put and call options over non-controlling interests in its subsidiary undertakings as a liability in the Consolidated Statement of Financial Position at the present value of the estimated exercise price of the put and call option. The only material put and call option remaining as at 1 February 2025 is Genesis at £831 million (2024: Genesis £763 million).

The Group has used a third-party valuation expert to estimate the present value of the Group's material put and call option liabilities using a Monte-Carlo simulation model, applying a geometric Brownian motion to project the share price and an arithmetic Brownian motion for the projection of EBITDA. The option formula and multiple are stated in the option agreement allowing the strike price to be calculated from the simulated EBITDA. Upon initial recognition of put and call options, a corresponding entry is made to Other Equity (put and call option reserve), and for subsequent changes on remeasurement of the liability the corresponding entry is made to adjusting items in the Consolidated Income Statement.

Inputs to the Monte-Carlo simulation models

The Group has used the Board approved 5-year plan to estimate profit and cash flow forecasts for future periods.

In estimating the present value of the Group's material put and call option liabilities, the key inputs to the Monte-Carlo simulation models are:

- The EBITDA forecasts and growth assumptions for future periods including forecast net cash/debt and forecast capital expenditure, working capital movements and taxation.
- The EBITDA is projected using an Arithmetic Brownian Motion EBITDA drift. The drift for each time period is estimated from forecast EBITDA and its standard deviation is estimated from historical EBITDA data.
- The risk-free discount rates, reflecting the current market assessment of the time value of money, used to discount the purchase price (subject to the option pricing cap as defined in the shareholder agreement) to present value.

Other Options

Within other options the largest value option at FY25 is Cosmos £25 million (2024 £24 million). Management has used a third party valuation specialist to value the option. The valuation technique is consistent with that outlined above for material options. The remaining options are valued in house, and total £1 million (2024: £47 million). During the year £15m of options have lapsed, partly due to the NCI being acquired outside of the option mechanics, and partly due to the divestment of entities where put and call options were held.

Iberian Sports Retail Group (‘ISRG’)	Genesis Topco Inc (‘Genesis’) £m	Marketing Investment Group S.A.	Other £m	Total Liability
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	£m		(MIG) £m		
At 28 January 2023	206	783	52	63	1,104
Acquisitions	429	-	-	-	429
Options lapsed and disposed during the period	(197)	-	-	(5)	(202)
Other movements	-	-	-	(13)	(13)
Options bought out	(434)	-	(68)	-	(502)
(Decrease)/increase in the present value of the existing option liability	(4)	(20)	16	2	(6)
At 3 February 2024	-	763	-	47	810
Options lapsed and disposed during the period	-	-	-	(15)	(15)
(Decrease)/increase in the present value of the existing option liability	-	68	-	(6)	62
At 1 February 2025	-	831	-	26	857

Sensitivity Analysis - Genesis Put and Call Option

Sensitivity analysis was performed over the key variable inputs to the valuation of the Genesis put and call option. The key variable input was determined to be the EBITDA forecasts per the Board approved 5-year plan. 10% was determined to be a reasonably possible change for the EBITDA forecasts included in the approved cash flow forecasts, reflecting recent experience in levels of forecasting accuracy.

The result was that:

- A reduction of 10% to the forecast EBITDA would result in a reduction to the put and call option liability of £104 million (2024: £92 million).
- An increase of 10% to the forecast EBITDA would result in an increase to the put and call option liability of £92 million (2024: £92 million).

Option Details

Company	Options in existence	Exercise periods	Methodology	Maximum price	Short-term EBITDA growth assumptions ⁽¹⁾	Discount rate applied	Recognised at 1 February 2025 £m
Genesis Topco Inc.	Put option whereby JD Sports Fashion Plc may be required to acquire the remaining 20% of the issued share capital of Genesis Topco Inc in four equal tranches with the ability to roll over a tranche that has not previously been subject to the exercise	The put options are exercisable within 30 calendar days after the determination of the final put/call value for the financial period. The first put period will occur after the determination of the put/call value for the financial period ending on 1 February 2025. The final put option can be exercised within a period	The option price is calculated based on a multiple of earnings before interest, tax, depreciation and amortisation for the relevant financial period, less post-closing cash and debt.	The option price shall not exceed £1.46 billion.	8.2% - 16.7% (2024: 6.4%-12.5%)	3.91% - 4.37% (2024: 3.3% - 4.8%)	831

of a put option. of 30 calendar days after the end of the fiscal period ending 1 February 2028.

Other put option liabilities	26
Total liability	857

(1) FY26 of the forecast includes the first full year impact of the Hibbett acquisition.

Post Balance Sheet Event

In March 2025, an amendment was made to the Genesis shareholders' agreement. Under the revised terms, the exercise periods for the Non-Controlling Interest (NCI) put option and the JD call options have been deferred and could be paid in two equal instalments of 10% with two exercise periods, as opposed to the previous agreement of four equal instalments of 5% with four exercise periods. Any option tranche can be deferred into the following exercise period, in line with the previous agreement. Additionally, there has been no other changes to key terms in the agreement, other than the exercise periods noted above.

See Note 14 for further details.

9. Dividends

Dividend distribution to the Company's shareholders is recognised as a liability in the Group and Company financial statements in the period in which it is approved.

After the reporting date, the following dividend was proposed by the Directors and will be payable to all shareholders on the register at 13 June 2025. The dividend will be paid on 11 July 2025. The dividends were not provided for at the reporting date.

	52 weeks to 1 February 2025 £m	53 weeks to 3 February 2024 £m
0.67 pence per ordinary share (2024: 0.60 pence)	35	31

Dividends on Issued Ordinary Share Capital

	52	53
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	weeks to 1 February 2025 £m	weeks to 3 February 2024 £m
Final dividend of 0.60 pence (2024: 0.67 pence) per qualifying ordinary share paid in respect of prior period, but not recognised as a liability in that period	31	35
Interim dividend of 0.33 pence (2024: 0.30 pence) per qualifying ordinary share paid in respect of current period	17	15
	48	50

10. Analysis of Net Debt

Net debt consists of cash and cash equivalents together with other borrowings from bank loans and overdrafts, other loans, loan notes, lease liabilities and similar hire purchase contracts.

	At 3 February 2024 £m	On acquisition & disposal of subsidiaries, associates and NCIs £m	Cash flow £m	FX movement £m	Lease additions, terminations, modifications & reassessments £m	At 1 February 2025 £m
Cash and cash equivalents	1,153	76	(498)	-	-	731
Overdrafts	(60)	-	24	-	-	(36)
Cash and cash equivalents held-for-sale ⁽¹⁾	9	-	(9)	-	-	-
Cash and cash equivalents for the purposes of the Consolidated Statement of Cash Flows	1,102	76	(483)	-	-	695
Bank loans	(70)	(228)	(364)	19	-	(643)
Lease liabilities	(2,484)	(381)	420	12	(626)	(3,059)
Total liabilities from financing activities	(2,554)	(609)	56	31	(626)	(3,702)
Net (debt)/cash	(1,452)	(533)	(427)	31	(626)	(3,007)

(1) See Note 12 for details of assets held-for-sale.

	At 28 January 2023 £m	On acquisition & disposal of subsidiaries, associates and NCIs £m	Cash flow £m	FX movement £m	Lease additions, terminations, modifications & reassessments £m	At 3 February 2024 £m
Cash and cash equivalents	1,508	-	(327)	(28)	-	1,153
Overdrafts	(34)	-	(26)	-	-	(60)
Cash and cash equivalents held-for-sale	75	-	(66)	-	-	9
Cash and cash equivalents for the purposes of the Consolidated Statement of Cash Flows	1,549	-	(419)	(28)	-	1,102
Bank loans	(80)	5	6	(1)	-	(70)
Lease liabilities	(2,384)	55	400	41	(596)	(2,484)
Total liabilities from financing activities	(2,464)	60	406	40	(596)	(2,554)
Net (debt)/cash	(915)	60	(13)	12	(596)	(1,452)

In addition to the liabilities included in the table above, the Group has accrued put and call option liabilities at 1 February 2025 of £857

million (2024: £810 million), which are not classified as net debt in the note above.

11. Cash flows from operating activities

	52 weeks to 1 February 2025 £m	Restated ⁽¹⁾ 53 weeks to 3 February 2024 £m
Cash flows from operating activities		
Profit for the period	540	605
Adjustments for:		
Income tax expense	175	206
Finance expenses (non-adjusting)	153	102
Finance expenses (adjusting)	62	(6)
Financial income	(27)	(39)
Depreciation and amortisation of non-current assets	729	615
Depreciation and amortisation of non-current assets (adjusting)	57	49
Share based payment charge	1	3
Loss on disposal of non-current assets	18	8
Profit on disposal of subsidiaries/associates/joint ventures (adjusting)	(81)	-
Gain on FX forward contracts (recorded in Cost of sales)	(10)	(17)
Impairment of other intangibles and non-current assets (non-adjusting)	12	22
Impairment of goodwill and fascia names (adjusting)	5	35
Impairment of other intangibles and non-current assets (adjusting)	108	4
Other non-cash adjusting items	24	69
Share of profit of equity-accounted investees (net of tax)	(5)	(8)
Profit before working capital changes	1,761	1,648
(Increase) in inventories	(10)	(196)
Decrease/(increase) in trade and other receivables	32	(36)
(Decrease)/increase in trade and other payables	(159)	35
Cash generated from operations	1,624	1,451

(1) For the financial period ended 1 February 2025, the Group has updated the adjusting items policy to include the amortisation of acquired intangible assets. Please refer to Note 3 for further details of the restatement.

12. Assets held-for-sale

Derby Distribution Centre

During the year, the Group closed a distribution centre in Derby, as part of its strategic operational restructuring. As at 1 February 2025, the distribution centre met the criteria to be classified as held for sale in accordance with IFRS 5 Non-current Assets Held-for-Sale.

Management is committed to a plan to sell the asset and an active programme to locate a buyer and complete the sale has been initiated. The sale is expected to be completed within 12 months from the reporting date.

Accordingly, the carrying amount of the right of use asset of £42 million has been reclassified from right of use assets to non-current assets held-for-sale. Depreciation ceased on the date of classification. Lease liabilities of £50 million were also reclassified to non current liabilities held-for-sale.

An impairment loss of £69 million was recognised on reclassification of plant and equipment as the carrying amount of £84 million exceeded fair value less costs to sell. Estimated fair value less costs to sell is £15 million.

Mainline Menswear Holdings Limited

The assets related to Mainline Menswear Limited are no longer recorded as assets held-for-sale. The marketing process ceased in late June 2024 as none of the interest parties was considered suitable. The non-controlling interest of 20% was purchased by the Group in October 2024 for total consideration of £17 million, which includes £9 million deferred consideration contingent upon the ongoing employment of the former shareholder for an agreed period. At 1 February 2025, Mainline Menswear Limited is wholly owned by the Group.

Included in the 53 week period ended 3 February 2024 was revenue of £75 million and a profit before tax of £11 million in respect of Mainline Menswear Holdings and its subsidiaries. Details are provided in the table below.

	As at 3 February 2024 £m
Intangible assets	8
Property, plant and equipment	1
Right-of-use assets	-
Inventories	14
Trade and other receivables	2
Income tax receivable	-
Cash and cash equivalents	9
Assets held-for-sale	34
Lease liabilities	-
Trade and other payables	(8)
Liabilities held-for-sale	(8)

13. Contingent Liabilities

Accounting policies

Contingent liabilities are potential future cash outflows, where the likelihood of payment is considered more than remote but is not considerable probable or cannot be fully measured.

Claims and Litigation

The activities of the Group are overseen by regulators around the world and, whilst the Group strives to ensure full compliance with all its regulatory obligations, periodic reviews are inevitable, which may result in a financial penalty. If the risk of a financial penalty arising from one of these reviews is more than remote but not probable or cannot be measured reliably then the Group will disclose this matter as a contingent liability. If the risk of a financial penalty is considered probable and can be measured reliably then the Group would make a provision for this matter.

The Group had no material contingent liabilities at 1 February 2025 (2024: none).

14. Post Balance Sheet Events

Genesis Put and Call Amendment

In March 2025, an amendment was made to the Genesis shareholders' agreement. Under the revised terms, the exercise periods for the Non-Controlling Interest (NCI) put option and the JD call options have been deferred and will now be paid in two equal instalments of 10% with two exercise periods, as opposed to the previous agreement of four equal instalments of 5%.

The first exercise period for the options will now occur following the financial year ending in 2029, and the second exercise period will be following the financial year ending in 2030. As a result of this change, the current portion of the liability will be presented as non-current at FY26.

The method for calculating the option price remains unchanged and continues to be based on a multiple of earnings before interest, tax, depreciation, and amortisation (EBITDA) for the relevant financial period, adjusted for post-closing cash and debt. The cap on the total liability remains unchanged at £1.5bn.

Based on a risk-free discount rate, in accordance with accounting standards for valuing this liability, the Genesis put/call valuation present value is expected to increase by approximately £250 million. If JD North America's WACC rate were to be used (see Note 13) as the discount rate, the present value of the liability is broadly unchanged as a result of the deferral.

Share Buyback

As announced on 9 April 2025, the company has commenced an initial share buyback programme to repurchase ordinary shares with a market value of up to £100 million. The purpose of the programme is to reduce share capital and, accordingly, the shares repurchased are subsequently cancelled or held in treasury. The programme will complete no later than 31 July 2025.

Alternative Performance Measures

The Directors measure the performance of the Group based on a range of financial measures, including measures not recognised by UK-adopted International Accounting Standards. These Alternative Performance Measures may not be directly comparable with other companies' Alternative Performance Measures and the Directors do not intend these to be a substitute for, or superior to, IFRS measures. The Directors believe that these Alternative Performance Measures assist in providing additional useful information on the trading performance of the Group. Alternative Performance Measures are also used to enhance the comparability of information between reporting periods, by excluding adjusting items.

Adjusted Basic Earnings per Share

Adjusted basic earnings per ordinary share has been based on the profit for the period attributable to equity holders of the parent for each financial period but excluding the post-tax effect of adjusting items. A reconciliation between basic earnings per share and adjusted basic earnings per share is shown below:

	2025	Restated ⁽¹⁾ 2024
Basic earnings per share per Note 5	9.50p	10.45
Adjusting items	3.76p	2.92
Tax relating to adjusting items	(0.87p)	(0.56)
Adjusted basic earnings per ordinary share	12.39p	12.81

(1) See Note 3 for further details of the restatement.

Adjusting Items

The Group exercises judgement in assessing whether items should be classified as adjusting items. This assessment covers the nature of the item, cause of occurrence and scale of impact of that item on the reported performance. In determining whether items should be presented as adjusting items, the Group considers items that are significant because of either their size or their nature which management

believe would distort an understanding of earnings if not adjusted. In order for an item to be presented as an adjusting item, it should typically meet at least one of the following criteria:

- Impairments of tangible and intangible assets, investments and loan receivables not recoverable
- Unusual in nature or outside the normal course of business (for example, the non-cash movement in the present value of put and call options, and foreign currency movements on non-trading intercompany balances)
- Items directly incurred as a result of either an acquisition, an anticipated acquisition or a divestment, or arising from a major business change or restructuring programme (including the amortisation of acquired intangible assets, see below for further detail).

For the financial period ended 1 February 2025, the Group has updated the adjusting items policy to include the amortisation of acquired intangible assets. This update is intended to provide greater clarity over the underlying trading performance of the Group and the change has been applied retrospectively.

The separate reporting of items, which are presented as adjusting items within the relevant category in the Consolidated Income Statement, helps provide an indication of the Group's trading performance in the normal course of business. An explanation as to why individual items have been classified as adjusting is given in Note 3.

Furthermore, Alternative Performance Measures excluding adjusting items are intended to enhance the comparability of information between reporting periods and to help to provide an indication of the Group's trading performance.

Capital Expenditure

Capital Expenditure is the measure of total cash invested each period to maintain or build new retail fascias, logistics infrastructure, or technology assets. This investment is in the ongoing business and is invested to deliver growth in organic sales or improvements in gross profit or operating profit. This APM is therefore useful to understand the investment the company is making in its ongoing assets for which a return on investment is expected in the future.

This measure excludes other items within net cash used in investing activities in the cashflow statement as these are not related to investments in the ongoing business, but to acquisitions, investments or disposals of subsidiaries or joint ventures, proceeds of sale of non current assets or interest received. This APM has been updated in FY25 to reflect the capital expenditure associated with intangibles and property, plant and equipment only. In FY24 this included capital expenditure of other non-current assets which management consider less relevant.

The table below details the cashflow expenditure on capital investment as detailed in the Consolidated Statement of Cash Flows.

	2025 £m	2024 £m
Acquisition of intangibles (software development)	28	30
Acquisition of property, plant and equipment	487	500
Total capital expenditure	515	530

An alternative presentation of this is as follows:

	2025 £m	2024 £m
Stores & gyms	346	309
Supply chain infrastructure	110	151
Technology and other	59	70
Total capital expenditure	515	530

Effective Tax Rate Before Adjusting Items

Being the adjusted tax charge as a percentage of the adjusted profit before tax as outlined in the Consolidated Income Statement.

	2025 £m	Restated ⁽¹⁾ 2024 £m
Income tax expense before adjusting items	222	237
Profit before tax and adjusting items	923	966
Effective tax rate before adjusting items	24.1%	24.5%

Income Tax Expense Before Adjusting Items

Income tax expense before the impact of adjusting items as shown in the Consolidated Income Statement and used in the Adjusted Effective Rate of Taxation measure shown above.

	2025 £m	Restated ⁽¹⁾ 2024 £m
Income tax expense	175	206
Effect of adjusting items on income tax	47	31
Income tax expense before adjusting items	222	237

(1) See Note 3 for further details of the restatement.

Like-For-Like Sales Growth

The definition of Like-For-Like ("LFL") sales growth is outlined in the Organic Sales Growth definition below.

Operating Cashflow Net of Lease Repayments

Operating cashflow net of lease repayments is the movement in cash and cash equivalents period on period excluding the impact of working capital, capital expenditure, income taxes, acquisition of subsidiaries or non-controlling interests, cash proceeds from disposals, purchase of equity investments, dividends paid to equity shareholders and non-controlling interests.

Net Cashflow Before Dividends, Acquisitions, Financing and Disposals

Net cashflow before dividends, acquisitions, financing and disposals is the movement in cash and cash equivalents period on period

excluding the impact of acquisition of subsidiaries or non-controlling interests, cash proceeds from disposals, purchase of equity investments, dividends paid to equity shareholders and non-controlling interests.

This performance measure gives insight into the cash generated from the annual operations of the business including capital expenditure reinvested in the business, and excludes cashflows related to dividends, debt financing and acquisitions and disposals as these decisions are outside the normal course of business operations.

£m	52 weeks to 1 February 2025 £m	53 weeks to 3 February 2024 £m
Profit before tax	715	811
Add back impairments of tangible, intangible assets and investments	125	39
Add back other non-cash adjusting items	109	69
Less profit on disposal of associates	(75)	-
Depreciation and amortisation of non-current assets	786	664
Repayment of lease liabilities	(420)	(400)
Other	5	(22)
Operating cashflow net of lease repayments	1,245	1,161
Change in working capital	(137)	(197)
Capital expenditure	(515)	(530)
Income taxes paid	(243)	(208)
Other	(11)	(10)
Net cashflow before dividends, financing, acquisitions and disposals	339	216
Repayment of interest-bearing loans and borrowings	(501)	-
Draw down of interest-bearing loans and borrowings	865	-
Acquisition of subsidiaries and NCI	(1,157)	(611)
Cash consideration of disposals	95	-
Equity dividends paid	(48)	(50)
Dividends paid to NCI in subsidiaries net of dividend received	-	(2)
Change in cash and cash equivalents⁽¹⁾	(407)	(447)
Cash and cash equivalents at the start of the period ⁽¹⁾	1,102	1,549
Cash and cash equivalents at the end of the period⁽¹⁾	695	1,102

(1) Cash and cash equivalents equates to the cash and cash equivalents presented in the Consolidated Statement of Cash Flows, as reconciled in Note 11.

Net Cash Before Lease Liabilities

Net cash before lease liabilities consists of cash and cash equivalents together with other borrowings from bank loans and overdrafts but before lease liabilities.

Net cash before lease liabilities is a measure of the Group's net indebtedness that provides an indicator of the overall strength of the Consolidated Statement of Financial Position. It is also a single measure that can be used to assess the combined effect of the Group's cash position and its indebtedness. Net cash before lease liabilities is considered to be an alternative performance measure as it is not defined in IFRS. The most directly comparable IFRS measure is the aggregate of borrowings and lease liabilities (current and non-current) and cash and cash equivalents.

A reconciliation of these measures with net cash can be found in Note 10 to the consolidated financial statements.

	2025 £m	2024 £m
Net debt (Note 10)	(3,007)	(1,452)
Lease liabilities	3,059	2,484
Net cash before lease liabilities	52	1,032

Net Finance Expense Before Adjusting Items

Net finance expense before adjusting items consists of the net of finance income and finance expense before adjusting items included within finance income and expense.

Net finance expenses is a measure of the Group's net finance expense before the impact of any movement in valuation of put and call options, and impairment loss on financial assets.

	2025 £m	2024 £m	53rd week £m	2024 £m
Net finance expenses	(188)	(115)	(1)	(116)
Adjusting items (in finance expenses)	62	(6)	-	(6)
Adjusting items (impairment loss on financial assets)	-	59	-	59
Net finance expense before adjusting items	(126)	(62)	(1)	(63)

The table below shows a reconciliation of statutory operating profit for the 52 week period ended 1 February 2025 to the alternative performance measure, operating profit before adjusting items after lease interest for the same 52 week period ended 1 February 2025.

	Operating profit before adjusting items after lease interest 52 weeks 2025 £m	IFRS 16 lease interest 52 weeks 2025 £m	Adjusting items 52 weeks 2025 £m	Operating Profit for the period 52 weeks 2025 £m
JD Group Total				
<i>JD</i>				
JD UK Total	291	19	(12)	298
JD & Finish Line NAM	232	24	(7)	249
JD Asia Pacific	62	8	-	70
JD Europe	80	30	(29)	81
JD Total	665	81	(48)	698
<i>Complementary Concepts</i>				
Community	186	15	(65)	136
Complementary	7	4	(22)	(11)
Complementary Concepts Total	193	19	(87)	125

<i>Sporting Goods & Outdoor</i>				
<i>Outdoor</i>	6	3	(3)	6
Sporting Goods	73	9	(8)	74
Sporting Goods & Outdoor Total	79	12	(11)	80
TOTAL GROUP	937	112	(146)	903

The table below shows a reconciliation of statutory operating profit for the 53 week period ended 3 February 2024 to the alternative performance measure, operating profit before adjusting items after lease interest for 52 week period ended 27 January 2024.

	Operating profit before adjusting items after interest on lease liabilities	IFRS 16 lease interest	Adjusting items	Operating Profit for the period	Operating profit	Operating profit for the period
	52 weeks 2024 £m	52 weeks 2024 £m	52 weeks 2024 £m	52 weeks 2024 £m	53rd week £m	53 weeks 2024 £m
JD Group Total						
<i>JD</i>						
JD UK	393	19	(68)	344	2	346
JD & Finish Line NAM	196	17	6	219	2	221
JD Asia Pacific	63	7	2	72	1	73
JD Europe	76	18	(1)	93	-	93
JD Total	728	61	(61)	728	5	733
Complementary Concepts						
Community	157	10	(26)	141	1	142
Complementary	2	2	(19)	(15)	-	(15)
Complementary Concepts Total	159	12	(45)	126	1	127
Sporting Goods & Outdoor						
Outdoor	(5)	3	(9)	(11)	-	(11)
Sporting Goods	54	7	30	91	-	91
Sporting Goods & Outdoor Total	49	10	21	80	-	80
Other	4	-	(17)	(13)	-	(13)
TOTAL GROUP	940	83	(102)	921	6	927

The table below shows a reconciliation of organic Sales Growth for each operating segment and sub-segment for the unaudited 52 week period ended 27 January 2024 and reconciled to the 52 week period ended 1 February 2025. The analysis is split over two tables.

	Revenue 2024(52 weeks)	Impact of retranslating at 2025 rates	Impact of 2024 M&A activity	FY24 Calendar alignment	Revenue rebased 2024	Acquisitions 2025	Organic sales growth 2025	Revenue 2025
	£m	£m	£m	£m	£m	£m	£m	£m
JD UK	2,765	-	(88)	(3)	2,674	2	(14)	2,662
JD Europe	1,952	(52)	-	2	1,902	-	297	2,199
JD North America	2,290	(52)	-	5	2,244	-	192	2,436
JD Asia Pacific	483	(14)	(14)	2	457	-	44	501
Total JD	7,490	(118)	(102)	6	7,277	2	519	7,798
Community	1,062	(23)	-	2	1,040	713	53	1,806
Complementary	260	-	-	(1)	260	139	(40)	359
<i>Complementary Concepts</i>	1,322	(23)	-	1	1,300	852	13	2,165
Sporting Goods	993	(27)	(77)	-	889	-	63	952
Outdoor	553	-	-	-	552	-	(9)	543
<i>Sporting Goods & Outdoor</i>	1,546	(27)	(77)	-	1,441	-	54	1,495
Other	39	-	(39)	-	-	-	-	-
TOTAL GROUP	10,397	(168)	(218)	7	10,018	854	586	11,458

Continued	2025	LFL 2025	Non LFL 2025	LFL	Non-LFL	Organic sales growth
	£m	£m	£m	%	%	%
JD UK	2,662	(71)	57	-2.6%	2.1%	-0.5%
JD Europe	2,199	27	270	1.4%	14.2%	15.6%
JD North America	2,436	12	180	0.5%	8.0%	8.6%
<i>JD Asia Pacific</i>	501	-	44	-0.1%	9.6%	9.5%
Total JD	7,798	(32)	551	-0.4%	7.6%	7.1%
Community	1,806	14	39	1.3%	3.8%	5.1%
Complementary	359	(12)	(28)	-4.6%	-10.8%	-15.4%
<i>Complementary Concepts</i>	2,165	2	11	0.2%	0.9%	1.0%
Sporting Goods	952	67	(4)	7.6%	-0.4%	7.1%
Outdoor	543	(10)	1	-2.0%	0.2%	-1.7%
Sporting Goods & Outdoor	1,495	57	(3)	4.0%	-0.2%	3.7%
TOTAL GROUP	11,458	27	559	0.3%	5.5%	5.8%

Sales Growth From Net New Space

The definition of sales growth from net new space is outlined in the Organic Sales Growth definition above.

Sales Growth

One of the key measures of performance is the growth in sales between reporting periods excluding the impact of currency.

The figures below are extracted from the Organic Sales Growth table.

	Sales Growth £m
Revenue 52 weeks 2024	10,397
Impact of retranslating at 2025 currency rate	(168)
	10,229
Revenue 52 weeks 2025	11,458
Sales Growth	12.0%

Summary Consolidated Income Statement On A 52 Week Basis

In order to provide comparability with the prior period results for the 53 weeks ended 3 February 2024, the tables below present a summary of the Group's Consolidated Income Statement for the 52 week period to 1 February 2025, compared against an unaudited adjusted 52 weeks period to 27 January 2024. In determining the week 53 adjustment, revenue and gross profit represents the actual trading performance in that week, with operating costs and net finance expenses allocated on a reasonable basis to reflect an estimate of costs for that week, unless a split was not deemed to sufficiently represent the actual costs incurred during week 53.

	52 weeks 2025	Restated ⁽¹⁾ 53 weeks 2024	Exclude 53rd week 2024	Restated ⁽¹⁾ 52 weeks 2024	Reporting Currency Change (52 weeks vs 52 weeks)	Constant Currency Change (52 weeks vs 52 weeks)
	£m	£m	£m	£m	%	%
Revenue	11,458	10,542	(145)	10,397	10.2%	12.0%
Gross profit before adjusting items	5,472	5,048	(62)	4,986	9.7%	11.5%
Gross margin before adjusting items	47.8%	47.9%		48.0%	(20)bps	(20)bps
Gross margin impact of acquisitions	0.2%	-%		-%	20bps	20bps
Gross margin before adjusting items excluding acquisitions	48.0%	47.9%		48.0%	-bps	-bps
Operating costs before adjusting items	(4,423)	(4,019)	56	(3,963)	11.6%	13.5%
Interest on lease liabilities	(112)	(84)	1	(83)	34.9%	37.2%
Operating profit before adjusting items after interest on lease liabilities	937	945	(5)	940	(0.3%)	0.8%
Operating margin before adjusting items after	8.2%	9.0%		9.0%	(80)bps	(90)bps

interest on lease liabilities

Net finance (expense)/income excluding interest on lease liabilities	(14)	21	-	21		
Profit before tax and adjusting items	923	966	(5)	961	(4.0%)	(2.9%)
Adjusting items	(208)	(155)	-	(155)		
Profit before tax	715	811	(5)	806	(11.3%)	

(1) See Note 3 for further details of the restatement.

The table below shows the reconciliation between cost of sales before adjusting items, and cost of sales.

	52 weeks 2025	53 weeks 2024	Exclude 53rd week 2024	52 weeks 2024
	£m	£m	£m	£m
Cost of sales before adjusting items	(5,986)	(5,494)	83	(5,411)
Adjusting items within Cost of sales	(9)	-	-	-
Cost of sales	(5,995)	(5,494)	83	(5,411)

The table below shows the reconciliation between operating costs before adjusting items and operating costs.

	52 weeks 2025	53 weeks 2024	Exclude 53rd week 2024	52 weeks 2024
	£m	£m	£m	£m
Selling and distribution expenses	(3,933)	(3,623)	50	(3,573)
Administrative expenses before adjusting items	(520)	(435)	7	(428)
Share of equity accounted investees	5	8	-	8
Other operating income	25	31	(1)	30
Operating costs before adjusting items	(4,423)	(4,019)	56	(3,963)
Adjusting items within administrative expenses	(137)	(102)	-	(102)
Operating costs	(4,560)	(4,121)	56	(4,065)

Gross Margin Excluding the Impact of Acquisitions

Gross margin excluding the impact of acquisitions is an alternative performance measure used by management to assess the underlying profitability of the Group's operations by removing the effect of acquisitions completed during the reporting period.

This measure facilitates comparison with prior periods and better reflects organic performance.

Operating Margin Before Adjusting Items after interest on lease liabilities

In FY25 we have updated our APM metric on operating profit to now include interest on lease liabilities so that both the depreciation and interest costs of our leases under IFRS 16 are included in this APM. This gives a more accurate view of our operating performance (in line with how operating profit would have traditionally been reported and understood with the full cost of servicing a property portfolio included in operating performance).

A reconciliation between operating margin before adjusting items after interest on lease liabilities can be found in the Summary Consolidated Income Statement on a 52 Week Basis above.

Operating Profit Before Adjusting Items after interest on lease liabilities

A reconciliation is presented in Note 2 between operating profit and operating profit before adjusting items after interest on lease liabilities by segment and sub-segment.

Organic Sales Growth

One of the key measures of performance is the growth in sales between reporting periods excluding the impact of currency, acquisitions and disposals. This is called 'Organic Sales Growth'.

It is calculated at constant currency using the average exchange rate of the current period applied to sales from the current and prior periods. Organic Sales Growth is calculated by removing the impact of all sales in the prior period from disposals made in the prior period, current period and assets held for sale at the end of the current period. This gives a new prior period base to calculate Organic Sales Growth rates from.

Organic Sales Growth % in the current year then excludes any sales from acquisitions in the 12 months since acquisition, and any sales from businesses disposed of in the current period or held for sale at the end of the current period. This isolates Organic Sales Growth to the percentage change in the year-on-year sales growth from existing stores. Organic Sales Growth is split into Like-For-Like ("LFL") sales from existing stores or sales from net new space and store conversions which are not LFL period on period (non LFL).

Additionally, Organic Sales Growth is calculated compared to the unaudited 52 week prior period ended 3 February 2024 to aid comparability with the 52 weeks ended 1 February 2025. The impact of this calendar change on FY24 has been analysed in the column called FY24 calendar alignment in the table above.

These metrics of Organic Sales Growth and its two component parts, LFL and non-LFL, enables the performance of the retail stores to be measured on a consistent year-on-year basis and is a common term used in the industry.

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