STRONG AND AGILE

JD Group

JD Sports Fashion Plc
Annual Report & Accounts 2025

JD is a leading global sports fashion powerhouse that seeks to inspire the emerging generation of globally-minded consumers through a connection to the universal cultures of sport, music and fashion.

WHO WE ARE

The JD Group is a leading global omnichannel retailer of sports fashion brands, providing customers with the products they most want across footwear and apparel from established and new premium brands.

Founded in 1981 with a single store in Bury, Greater Manchester, England by John Wardle and David Makin, we have grown to 4,850 stores worldwide. Our strategy is focused on four strategic pillars: JD Brand First to be the first choice for consumers globally; leveraging Complementary Concepts such as our US community brands; moving Beyond Physical Retail by creating a lifestyle ecosystem of relevant products and services; and doing our best for our People, Partners and Communities.

OUR VISION

CONNECT GLOBALLY
INSPIRE LOCALLY
EMPOWER INDIVIDUALLY

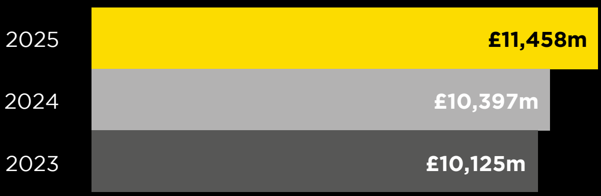
CONTENTS

Performance Summary

Revenue[1]

£11,458m

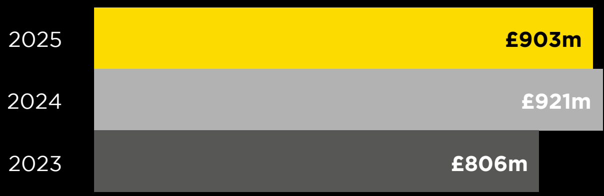
+10.2%



Operating profit[1]

£903m

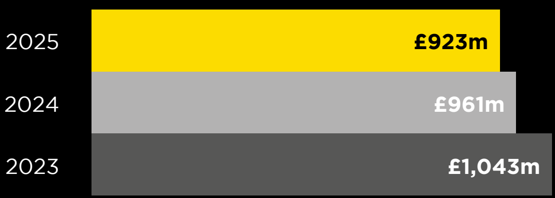
(2.0)%



Profit before tax and adjusting items[1,2,*]

£923m

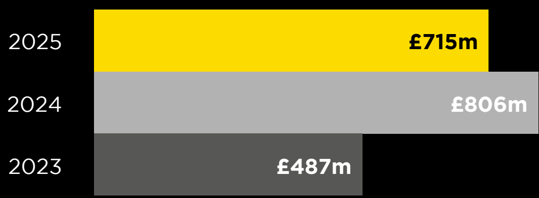
(4.0)%



Profit before tax[1]

£715m

(11.3)%



Operating margin before adjusting items after interest on lease liabilities[1,2,*]

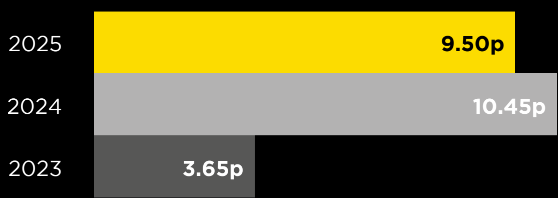
8.2%

(80)bps

Basic earnings per share

9.50p

(9.1)%



1 2025 is a 52-week year to 1 February 2025. To aid comparability, 2024 results and associated percentage changes are presented on an unaudited 52-week basis. Further information including a reconciliation to statutory measures is included in the Alternative Performance Measures section on pages 246 to 252.

2 For the financial period ended 1 February 2025, the Group has updated the adjusting items policy to include the amortisation of acquired intangible assets. 2023 and 2024 comparatives have been restated for comparability. Please refer to Note 4 of the consolidated financial statements for further details of the restatement.

* Throughout the Annual Report '*' indicates an instance of a term defined and explained in the Alternative Performance Measures section on page 246 along with a reconciliation to statutory measures. Further detail setting out the background to the Alternative Performance Measures is given in Note 1 to the financial statements. The definition of adjusting items is included in Note 4 of the Consolidated Financial Statements on page 168.

Strategic Highlights

JD BRAND FIRST

Net no. of JD fascia stores opened[1]

226

COMPLEMENTARY CONCEPTS

Stores acquired through Hibbett and Courir acquisitions

1,485

BEYOND PHYSICAL RETAIL

JD STATUS active accounts globally

8m+

PEOPLE, PARTNERS AND COMMUNITIES

Employees aged under 30 years

75%

1 Includes stores converted from other fascias.

AT A GLANCE

A leading global sports fashion retailer

TOTAL NUMBER OF STORES

4,850*

*excluding gyms

JD STORES
2,026

- UK 434
- Europe 638
- Asia Pacific 102
- North America* 852

*including Finish Line and Finish Line at Macy's

COMPLEMENTARY CONCEPTS STORES
2,221

- Europe 569
- North America 1,652

SPORTING GOODS & OUTDOORS
603

- Outdoor 231
- Sporting Goods 372

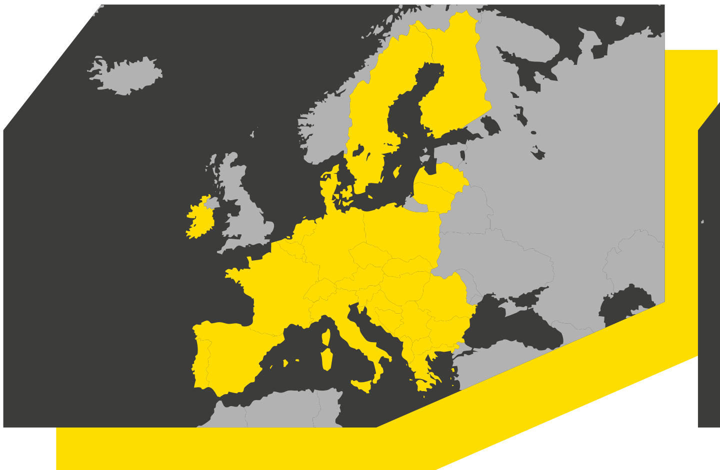
JD GYMS **92**
with a growing number of JD gyms

UK

Country	Stores
UK	665
Total	**665**

NORTH AMERICA

Country	Stores
US	2,470
Canada	34
Total	**2,504**



EUROPE

Country	Stores
France	387
Spain	357
Poland	215
Portugal	113
Germany	92
Greece	84
Italy	82
Netherlands	42
Romania	42
Belgium	39
Ireland	27
Slovakia	14
Lithuania	12
Cyprus	11

Country	Stores
Czech Republic	10
Hungary	10
Croatia	6
Denmark	6
Austria	5
Bulgaria	5
Finland	5
Latvia	5
Sweden	3
Luxembourg	3
Bosnia	1
Serbia	1
Slovenia	1
Andorra	1
Total	**1,579**

ASIA PACIFIC

Country	Stores
Australia	61
Malaysia	20
Thailand	10
Singapore	6
New Zealand	5
Total	**102**

We also operate JD stores in Indonesia, Saudi Arabia, Qatar, Bahrain, Egypt, UAE, South Africa and Israel, via franchise and joint venture agreements. In addition, Courir has franchises operating in Azerbaijan, UAE, Kuwait, Qatar, Cote d'Ivoire, Senegal, Morocco, Tunisia, Israel, and departments of France (Guiana and Réunion).

TOTAL COUNTRIES

49

including franchises and joint ventures

Our Culture

The JD Group fosters a dynamic and innovation-driven culture, emphasising brand identity and engagement. Through active participation and feedback from colleagues, the Group has cultivated an environment where individuals across all territories and fascia feel integrated into the JD Family's DNA. Globally, colleagues can express and bring their whole selves to their roles, which is reflected in the Group's latest engagement score with **86% of colleagues agreeing with the statement, *"I can be myself at work."***

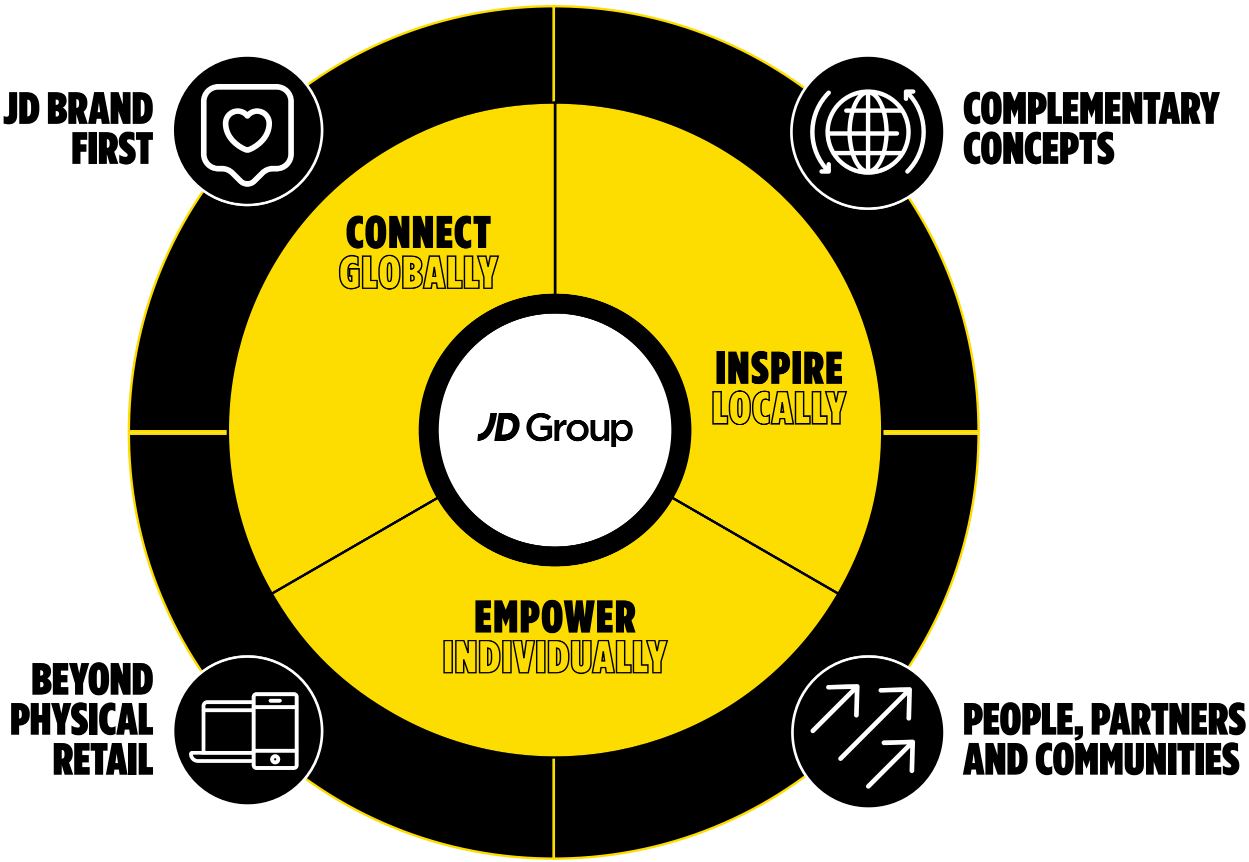
By nurturing a culture of respect, collaboration and belonging, colleagues within the Group feel valued, supported and inspired to reach their full potential. This culture is embedded in the Group's mission to:

CONNECT GLOBALLY
INSPIRE LOCALLY
EMPOWER INDIVIDUALLY

ENGAGEMENT SCORE

86%

Agree "I can be myself at work."



Key Initiatives

Employee Resource Groups ('ERGs'):

Our ERGs, each supported by executive sponsors, meet quarterly with leads of our diversity community networks to discuss key takeaways from monthly meetings. These discussions inform decision making and foster a culture of belonging, enabling diverse groups to thrive.

Culture Calendar Initiatives:

Managed by our People Experience team, the culture calendar celebrates and acknowledges important events throughout the year. ERGs play a crucial role in ensuring these initiatives are authentic, backed by senior leaders.

Engagement Survey:

Our Global Engagement Survey provides colleagues with the opportunity to confidentially share their experiences of working with JD Group. The data is reviewed by leadership teams to identify common themes and create action plans for necessary changes. In the latest survey, we achieved a response rate of 88%, with an engagement score of 70% (an increase of 1% compared to 2023), an enablement score of 79% (an increase of 5% compared to 2023), and an empowerment score of 80% (an increase of 3% compared to 2023). The survey has been instrumental in helping us focus our attention on the things that are important to our teams. For example, the introduction of our ERGs was a direct result of feedback from the 2023 engagement survey. We continue to use the survey data to inform our strategy and make necessary changes to enhance the overall employee experience.

Town Hall Meetings:

Hosted by our CEO and CFO, these meetings reinforce our shared purpose and keep colleagues informed of key decisions. Live Q&A sessions address concerns in real time, reducing uncertainty and providing clarity.

Demographic Data:

By analysing demographic data, we understand how different groups experience life at JD. This helps us take targeted actions to enhance inclusivity, connecting with colleagues, customers and communities, and attracting and retaining top talent.

Executive Support:

Our Executive team regularly visits retail stores to connect with colleagues providing an opportunity for questions. This visibility supports collaboration between retail, head office and distribution centres. In addition, our Non Executive Director for Workforce Engagement leads culture engagement events, such as International Women's Day.

Q&A

Nicola Kowalczuk
Chief People Officer

Q. How do you embed a Positive Culture across the Group?

A. At the heart of our strategy for embedding a positive culture lies our commitment to integrating the mission of our group into our everyday operations. This supports several critical steps designed to foster a thriving work environment and is achieved through a multifaceted approach:

Empowering Colleagues
We prioritise the long-term investment in colleague development and wellbeing. This empowerment is achieved through comprehensive training programmes, wellness initiatives and career development opportunities that ensure our colleagues can grow and succeed.

Inclusive Environment
Our commitment to inclusivity is unwavering. We strive to create an environment where all colleagues feel empowered to contribute and where diverse perspectives are not only welcomed but actively sought. By valuing the unique insights that arise from our diverse workforce, we cultivate innovation and collaboration.

Leadership and Accountability
Strong leadership and accountability are key in our culture-building efforts. We foster a culture of transparency and to continuous improvement by setting clear expectations, providing regular feedback, and holding ourselves accountable for our actions. This approach ensures that we are constantly evolving and improving as an organisation.

Open Communication
Effective communication is essential for embedding a positive culture. We maintain open communication channels through regular town halls, engagement surveys with actionable outcomes and in the year 2025, we will launch our communication app, "JD Now." This app will link all colleagues globally, ensuring seamless and effective communication across our diverse workforce.

- By integrating these multifaceted approaches, we believe we can create a work environment where every colleague feels valued, empowered and motivated to contribute to the success of our group. Together, we will continue to build and sustain a positive culture that drives our mission forward

Q. What are the Future Priorities?

A. Our priorities for the next year include communication, engagement, culture and growth. We will launch our colleague communication app to connect globally, support uplifting activities and events and embed our culture.

JD Group is committed to a dynamic, inclusive culture where colleagues can be their authentic selves. We aim to create an environment where everyone feels valued and supported. By leveraging demographic data, we will enhance inclusivity and attract top talent. Together, we can ensure a future where everyone thrives and makes a difference.

Investment Case

01

Operating at scale in a growing market

We operate in the Global Sports Fashion market which is attractive and growing, benefiting from the ongoing casualisation and active lifestyle trends.

After a period of rapid development, we currently expect the sportswear market to grow at a slower rate over the medium term, in line or slightly lower than the last two years at 2 to 3% annual growth on average.

2-3%

Forecast medium-term sportswear market average growth per annum

Source: JD Group

02

Optimally positioned to gain share in North America and Europe

We are a global market leader in sports fashion, with strong positions across all our regions. A key strength is our ability to see the world through the mindset of our customer.

In North America and Europe, we see headroom for further growth as we continue to roll out our successful model, leveraging our acquisitions and through selective physical expansion across both our core JD proposition and our Complementary Concepts fascias.

2,504

Total stores in North America

1,579

Total stores in Europe

03

Strong and agile multibrand business model

Our strong and agile multibrand model enables visibility over trends and a deep understanding of our customer. This gives us the ability to grow ahead of the market. We have leading store economics, strong brand relationships and a proven ability to drive and respond to trends.

We are a key partner for both established global sportswear brands and emerging fast-growing smaller brands.

Our strong brand relationships lead to optimum product allocations including a high level of product exclusivity.

150+

Number of brands available to our customers with sales >£1m

Source: JD Group

04

Customer focused omnichannel model

We have moved from a multichannel to an omnichannel model. We are channel agnostic: our goal is to meet our customer's needs whether they want to buy in store or online, and deliver in store or at home.

Our stores and fascias are designed to fit our communities, while our digital footprint moves with the fast pace of the modern consumer.

We continue to roll out the JD STATUS programme globally, building on the success in the US and the UK.

>8m

Active JD STATUS members globally

05

Operational excellence to grow profit ahead of sales

We have invested to ensure we have the right foundations in place to deliver profit growth ahead of sales over the medium term.

We are highly disciplined, with a clear focus on our operating efficiency and the cost base. We will deliver synergies from our recent acquisitions and reduce double-running costs as we begin to see the benefits of our infrastructure and supply chain investments.

8.2%

Operating profit margin before adjusting items after interest on lease liabilities*

06

Strong cash generation and disciplined capital allocation

We are a highly cash generative business. This underpins our strong balance sheet position and provides headroom for investment and to meet our commitments.

We have a clear capital allocation framework and are committed to delivering returns to shareholders.

£1.2bn

Operating cash flow net of lease repayments*

This solid foundation provides an earnings growth opportunity with high cash generation.

Chair's Statement

"Reflecting the evolution of our markets, we have refined our strategy. I am confident that we are well positioned to navigate current market conditions and deliver improving returns to our shareholders."

Andrew Higginson
Chair

Since we set out our strategic plan in February 2023, we've had many successes including the JD store rollout programme, completion of key acquisitions in the US and Europe, the clear focus on core businesses and simplification of the group structure, and the strengthening of governance and controls. Of course, we have also addressed a number of challenges along the way, including delayed progress with our European distribution centre and the accuracy of our forecasting and subsequent guidance to the markets.

When reflecting on the period, we have seen the benefits of our strong and agile multibrand model and I am pleased to report that we now have the strong foundations in place for the next phase of our development. On the other hand, the broader market conditions have evolved, resulting in slower market growth, and it is fair to say the headwinds were more challenging and persistent than we had anticipated.

As a result, we announced an updated medium-term strategic plan in April 2025, after the period end. This set out a clear framework for delivering profitable growth, improving operating leverage, maintaining our focus on cash generation and delivering returns for our shareholders. I will come back to these later.

While we again delivered more than £900m in Profit before tax and adjusting items*, this felt an even greater achievement than last year given how market conditions were more challenging this year. We saw a similar trading pattern with excellent performance across the key trading events such as back-to-school and the holiday season, reflecting the strengths and skills of our operational teams across buying and merchandising, marketing and retail operations. We had the right products, in the right places, at the right times, which were presented and sold well.

Outside of these key periods, the environment was highly competitive throughout the year with sustained promotional activity evident in our key markets. We chose not to participate in much of this activity with our focus being on maintaining our financial discipline in order to protect our margins. This approach is in line with our strategy to be a full price, premium retailer. It's worth reiterating that this proposition is recognised and valued by our brand partners and, in return, we get great access to innovation and new products.

We also saw an increasingly cautious consumer as the year progressed, ending the year in a much more uncertain geo-political and economic environment, and recent developments around tariffs, for example, have only increased this uncertainty. We saw lower footfall and conversion across most of our key markets with the average selling price helping to bridge across to flat like-for-like sales through the period.

Turning to the operational side, I shared previously our journey regarding building the foundations of a more sustainable business in terms of people, systems, processes and controls, in keeping with our strategy. These elements are essential when building a business that can continue to grow and provide attractive returns for our shareholders. You will recall, I highlighted previously a number of areas of internal control weakness and addressing these has obviously been a priority. I'm pleased to report that we are developing a rigorous internal control environment appropriate for a Group of our scale, including a strong focus on improving IT Controls. As you would expect, we will continue to develop and enhance these controls as appropriate on an ongoing basis.

Last year, we made a number of key changes to the composition of the Board, which included bringing on a new Chief Financial Officer and three new non-executive directors to ensure we had the right balance of skills, experience and diverse perspectives to support the Group's strategic direction. We continued this process into FY25 and made the appointment of our first US-based Board director, reflecting that the US represents 40% of the business following the acquisition of Hibbett, Inc. ('Hibbett'), which I discuss in more detail below. Following these developments, I am pleased to report that the Board governance and oversight is strong and we are operating effectively, fostering a culture of robust debate, accountability and careful decision making as we navigate the opportunities and challenges ahead.

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Financial Summary

The financial year for the 52 weeks to 1 February 2025 was another year of good revenue growth, driven by organic growth of 5.8% and acquisitions that added 8.5%. This growth was achieved despite not participating in much of the elevated promotional activity in the year, in order to protect our full price offer. Before the impact of acquisitions, our gross margin remained flat period on period at 48.0%, a strong performance in such a promotional market. Including our two new acquisitions, gross margin was down 20bps. Operating profit again fell short of our expectations, impacted by some of our long-term investments taking longer to complete and at a higher cost than anticipated. Overall in the period compared to the comparative 52-week period, Revenue was £11.5bn, up 10% with Operating profit before adjusting items and after interest on lease liabilities* down £3m versus the previous period to £937m. Profit before tax and adjusting items* was £923m, down 4% reflecting increased interest costs to finance our acquisitions. Adjusted basic earnings per share was 12.39p, down 3%, supported partly by a lower adjusted effective tax rate.

Profit before tax was down 12% to £715m, as adjusting items increased £53m to £208m.

Corporate Activity

In terms of corporate activity, after completing much of the work to simplify the group structure last year, I would like to focus on two transformational deals completed during FY25: the acquisitions of Hibbett in the US and Groupe Courir S.A.S ("Courir") in France.

Firstly, I'd like to welcome all those working at Hibbett and Courir to the JD Group and I look forward to working with them in the years to come. Their expertise in operating fascias that are subtly different from our existing fascias will add additional insights and opportunity to the group.

The Hibbett acquisition enhances our presence within North America and aligns with our objective of strengthening our existing community businesses - Shoe Palace on the West Coast and DTLR on the East Coast - with a highly complementary footprint, giving the Group access to hundreds of underserved communities across the US. In addition, Hibbett is the catalyst to integrate the 'back-offices' of our North America fascias by transforming our supply chain and harmonising our systems infrastructure in the region. While our roots are in the UK, and our head office remains in Bury where the company was founded, this acquisition makes the US our largest market by revenue.

The completion of our acquisition of Courir is another exciting milestone for our Complementary Concepts strategy in Europe. It broadens the JD Group's customer reach, adding a more female, fashion-conscious and older customer base to complement the Group's core customers.

Board Developments

Following the appointments in FY24, during FY25 we saw a number of other changes and reorganisation across the Board and Committees. Firstly, Suzi Williams stepped down as a Non-Executive Director and as Chair of the Remuneration Committee on 1 November 2024, having completed the crucial foundational phase of remuneration governance change for the Group. In preparation for the next phase, the Remuneration Committee Chair role was passed to Angela Luger. Angela joined the Board and the Remuneration Committee in June 2023 and previously had chaired the Remuneration Committee at Manchester Airport Group and SCS plc. In turn, given Angela's new role as Remuneration Committee Chair, she stood down as ESG Committee Chair, although remaining as a valued member, and Darren Shapland replaced her in this role on 1 October 2024. Darren joined the Board in June 2023 and has served as a member of the ESG Committee since its inception.

I was also delighted to welcome Prama Bhatt to the Board as a Non-Executive Director (NED), with effect from 23 September 2024. Prama is our first US-based NED and this is particularly valuable to us in the context of our US ambitions going forward. She brings a wealth of relevant experience to the Board including a deep understanding of the US retail landscape and significant expertise in omnichannel retailing, which is a key part of our strategy going forward. She has joined the Nominations Committee and the ESG Committee as well as the boards of JD's US subsidiaries, Genesis Holdings Inc. and Genesis Topco Inc. This appointment followed the departure of Mahbobeh Sabetnia, a Non-Executive Director and member of the Remuneration Committee, who stepped down from the Board after the FY24 AGM in June. Overall, we reduced the Board by one member, with the purpose being that a smaller Board allows more focus.

Following a review of executive remuneration, we shared a set of proposals for a revised Director's Remuneration Policy with our main shareholders, after the year end. Subsequent to the feedback received, we will be seeking shareholder approval of the revised policy at the Annual General Meeting on 2 July 2025. The updated policy reflects the evolution of our management team, the Group's significant expansion into North America, and both a need to harmonise remuneration across the Group and to align Key Performance Indicators with the Group's updated strategy.

People and Communities

Our 97,000+ colleagues across the Group remain our key asset. We simply could not do what we do without the skills and expertise of our people across the Group. For example, every day our buying and merchandising teams leverage their in-depth knowledge and understanding of our customers to ensure we have the right products, in the right places, at the right times. And as a multi-brand retailer, I'm delighted to see how successful we have been this year in delivering strong growth among a number of emerging and re-emerging brands. On behalf of the Board, I would like to extend my thanks to them all for their hard work, resilience and dedication over the past year. As we look ahead, I am confident that their talent and expertise will contribute significantly to the delivery of our updated strategy.

Dividends and Share Buyback Programme

The Board proposes paying a final dividend of 0.67 pence per ordinary share (FY24 final dividend: 0.60p), bringing the total proposed dividend for the 52 weeks to 1 February 2025 to 1.00p (FY24 total dividend: 0.90p) per ordinary share. This payout maintains the same one third/ two thirds ratio that we applied last year. Subject to shareholder approval at our AGM on 2 July 2025, the proposed final dividend will be paid on 11 July 2025 to all shareholders on the register at 13 June 2025.

Reflecting our strong cash generation and in line with our capital allocation framework, post year-end we announced the commencement of an initial £100 million share buyback programme. The programme commenced on 10 April 2025 and is expected to complete no later than 31 July 2025.

Outlook

The economic outlook is currently extremely unpredictable with so many moving parts and potential impacts on consumer confidence. As a result, we are taking a cautious view of the new financial year. That said, I am confident that the Group is well positioned to navigate these challenges and deliver improving returns to our shareholders.

Andrew Higginson
Chair

Chief Executive Officer's Review

>200

New JD stores opened in the year

79k

Colleague voices heard in global engagement survey

Régis Schultz
Chief Executive Officer

"In April 2025, we updated our medium-term plans to capitalise on our organic growth opportunities in North America and Europe, deliver productivity and efficiency benefits from the investments we have made, and utilise our strong cash generation to deliver improved returns for our shareholders."

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 control 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 we are 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 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 finally 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.

Chief Executive Officer's Review continued

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%[1] 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.

1 Source: Euromonitor International Limited, Apparel & Footwear 2024 edition, retail value RSP incl. sales tax, US$,year on year exchange rate, current terms.

• Throughout this Annual Report,'*' indicates the use of alternative performance measures. Please refer to pages 246 to 252 for further information including reconciliations to statutory measures.

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 more than halfway 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.

Chief Executive Officer's Review continued

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'.

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.

"The pivotal acquisitions of Hibbett and Courir, combined with continued organic growth of our existing operations, mean we are well positioned to outperform in North America and Europe."

North America fascias overview
Across both JD First and Complementary Concepts, we have segmented our fascias in North America 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.

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 (HRIS) 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 multibrand 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.

Régis Schultz
Chief Executive Officer
20 May 2025

Market Review

OUR MARKET

SPORTS FASHION

We are a global market leader in sports fashion retailing.

The sports fashion market is a dynamic and rapidly evolving segment within the broader sportswear industry.

While sportswear encompasses all clothing, footwear and accessories designed for athletic performance and physical activity, sports fashion focuses on products that blend athletic functionality with contemporary style. This market reflects the growing "athleisure" trend where sports-inspired apparel becomes part of casual and lifestyle wardrobes.

The sports fashion market is broadly split into two primary categories: apparel and footwear, each contributing significantly to overall market growth. We currently expect the sportswear market to grow at a slower rate over the medium term, in line or slightly lower than the last two years at 2 to 3% annual growth on average.

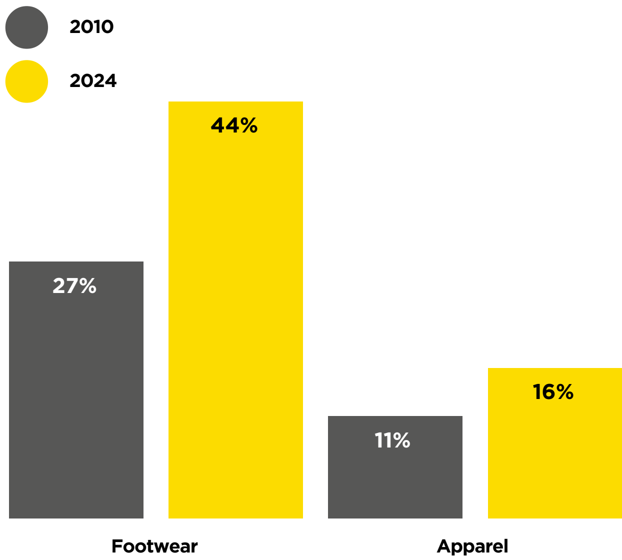
Forecast medium-term sportswear market average growth per annum

2-3%

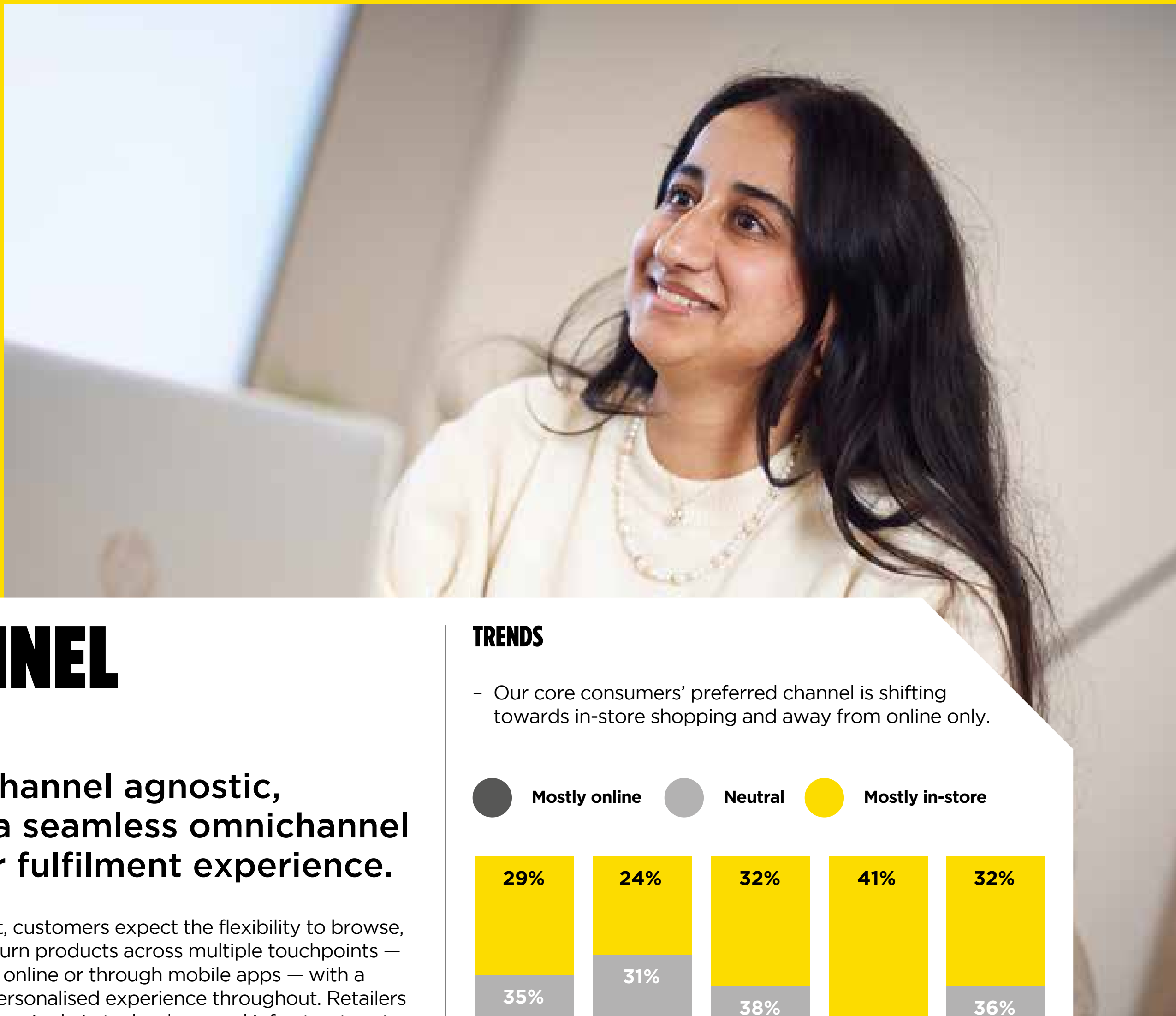
Source: Company

TRENDS

- The sportswear market is maturing, but growth remains attractive. From 2010 to 2024, the sports fashion market outperformed the overall apparel and footwear market
  - Sports footwear improved its share of the total footwear market by 17% pts
  - Sports apparel also improved its share, by 5% pts



- Sector outperformance vs. the broader apparel and footwear markets has narrowed from a range of 2-6% pts from 2014 to 2022, to 1-2% pts since 2023:
  - Footwear penetration has driven consistent outperformance
  - Apparel sees more fashion and seasonality risk
- An increasingly cautious consumer and a more uncertain geo-political and economic environment impacts footfall and spend, although this can be mitigated partially through having the right customer proposition and strong buying and merchandising.



CHANNEL

We are channel agnostic, offering a seamless omnichannel customer fulfilment experience.

In today's market, customers expect the flexibility to browse, purchase and return products across multiple touchpoints — whether in store, online or through mobile apps — with a consistent and personalised experience throughout. Retailers are investing increasingly in technology and infrastructure to unify inventory, payment and fulfilment processes, enabling services such as click and collect, in-store returns and loyalty programmes. As the lines between digital and physical retail continue to blur, a robust omnichannel strategy has become a key driver of competitiveness and long-term growth.

JD STATUS active users globally:

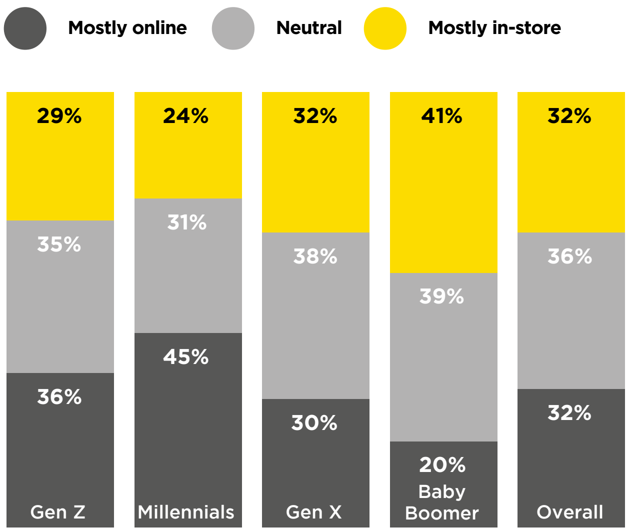
8m+

Increase in click and collect sales across JD UK & Europe FY25 vs. FY24:

24%

TRENDS

- Our core consumers' preferred channel is shifting towards in-store shopping and away from online only.



Source: Klarna (Global 2Q23 data), Bernstein analysis

- Personalisation of loyalty schemes and tailoring rewards and experiences to individual shopping behaviours and lifestyles are enhancing the perceived value and effectiveness of customer engagement strategies.

Our Business Model

HOW WE OPERATE

We have a strong and agile multibrand model with strong brand partnerships, best-in-class property expertise, a differentiated product offering and a growing omnichannel proposition.

Strong brand partnerships

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 ongoing investment in future growth.

Best-in-class property sourcing and development

To optimise the global white space opportunity for our fascias, our global property teams identify, secure and develop the most attractive locations for stores in over 30 countries across the world. With 79% of revenue generated from store sales, it is important we provide our customers with an enjoyable and rewarding in-store experience by creating a welcoming and high-energy environment and delivering customer service excellence across our global store portfolio.

JD Group

Differentiated product offering

We have highly experienced and agile Buying and Merchandising teams that analyse the latest consumer trends to ensure our product ranges are customer-led, select the right amount of product for each market, negotiate with brand partners and determine the look and feel of in-store presentation for maximum profitability.

Omnichannel proposition focused on our customers

We pride ourselves on providing an impactful in-store digital experience. We empower our customers to shop wherever, whenever through our website, using our app or in store, with reliable fulfilment and customer aftercare, followed by reconnecting with our customers through our JD STATUS loyalty programme.

OUR FOUNDATIONS:

Customers

Our JD core customer is 16-24 years old, fashion focused, sport and music inspired, social obsessed and globally connected with a skew towards males. Our complementary concepts extend our customer reach to wider demographics, including older, female and family customers.

People

We employ 97,000+ people worldwide. Our people are essential to everything we do. By investing in their development and listening to feedback, we are opening doors and creating career opportunities. The Group offers a dynamic environment where retail careers are built.

WHERE WE CREATE VALUE

Global Omnichannel Proposition

Offline and online

Our revenue is split 79% in store, 20% online and 1% other. Online share varies by region, with the UK highest at 26% and Europe lowest at 15%. Online share is now back at pre-pandemic levels as consumers have reverted back to physical shopping and we have grown our store base. However, we are agnostic about which channel our customers use to buy from us. The roll-out of our loyalty programme, JD STATUS, is accelerating the creation of a global JD ecosystem for our customers.

Global Revenue Mix

Region by region

We are a truly global retailer. On a pro-forma basis, assuming a full year contribution from Hibbett and Courir, our revenue would be split approximately 40% North America, 30% Europe, 25% UK and 5% Asia Pacific. Our regional presence strengthens our position as the leading global sports fashion retailer.

Footwear vs. apparel

Our revenue is also split 60% footwear, 31% apparel, 6% accessories and 3% other. Apparel share varies by region, with the UK highest at 48% and North America lowest at 14%. It is important to have a good mix of footwear and apparel in our business to maintain our enviable proposition as the leading global sports fashion retailer. By selling both, we can satisfy customer demand for a 'head-to-toe' outfit, create more reasons to visit our sales channels and increase the average order value of each shopping occasion.

WHO WE CREATE VALUE FOR

Our Owners

We are focused on creating value for our shareholders by delivering long-term revenue and profit growth. This will increase the value of our shares and create the opportunity to deliver any excess returns to our shareholders over time.

For more information, see Investment Case on pages 8 to 9 and Stakeholder Engagement on page 84.

Our People

We aim to provide a rewarding and fun experience for our people, wherever they are working for JD around the world, with strong training and development support and a range of career opportunities within the Group.

For more information, see Our Culture on pages 6 to 7, Strategy in Action on pages 24 to 31 and Stakeholder Engagement on page 83.

Our Customers

We offer the most sought after products across global sports fashion at a fair price in the major markets of the world, in both footwear and apparel and across our omnichannel proposition.

For more information, see Our Strategy on pages 22 to 23, Strategy in Action on pages 24 to 31, and Stakeholder Engagement on pages 81 to 82.

Our Brand Partners

Giving our brand partners the opportunity to share in our long-term growth and to ensure their brand equity is protected through maintaining a high full price mix and merchandising their products to a high standard.

For more information, see Stakeholder Engagement on page 85.

Our Communities

With 4,850 stores worldwide in 36 countries across four continents, we have the opportunity to give back to our local communities. We make a difference to social mobility through being a significant local employer of young people and we support local community initiatives through both our regional businesses and via the JD Foundation.

For more information, see ESG report on pages 54 to 79, Stakeholder Engagement on page 86 and the JD Foundation website.

Technology

We are re-platforming our regional system architecture to facilitate the ongoing development of an interactive omnichannel experience for our customers.

Financial

Our balance sheet is strong, driven by healthy cash generation. This provides headroom for investment, to meet our commitments and to provide attractive returns to shareholders.

Governance

Over the last two years, we have upgraded the governance and controls of the Group, to protect our stakeholders and to ensure we do business in the right way.

OUR STRATEGY

As part of our vision to inspire the emerging generation of globally minded consumers through a connection to the universal culture of sport, music and fashion, we structure our strategy against four pillars designed to shape our focus across the business. Our overall aim is to be the leading global sports fashion powerhouse.

JD BRAND FIRST

Focusing on the core of the business and putting the JD Brand at the forefront of premium sports fashion, ensuring JD is first choice for consumers across the globe.

COMPLEMENTARY CONCEPTS

Broadening our consumer, category and geographical reach through our Complementary Concepts' sports fashion offer in Europe and the US, sporting goods offer across Europe and our Outdoor proposition in the UK.

BEYOND PHYSICAL RETAIL

Continued focus on strengthening our infrastructure and digital transformation. Developing JD's supply chain and increasing our interaction with the JD consumer. Beyond Physical Retail through loyalty, and improving our omnichannel capabilities to support future growth.

PEOPLE, PARTNERS AND COMMUNITIES

Supporting our People, Partners and Communities and building on the great team that we have at JD, without whom JD's success would not be possible. We'll continue to recruit from the communities we serve, offering internal development and progression, and rewarding and recognising our talent.

Strategy in Action

JD BRAND FIRST

Scan to read more online about our Strategy

FIRST IN THE WORLD AND PUTTING OUR CORE BRAND FIRST

Our Ambition
JD is a world class retail fascia where a constantly evolving sports and fashion superior brand offer is presented in a vibrant retail theatre with innovative digital technology. The JD fascia has an outstanding reputation with both consumers and our international brand partners, and we are convinced that the most significant opportunities lie in the continued international development of this business.

Progress in the Year
We have continued to grow the JD store footprint across the globe, with particular focus on North America and Europe. See the next page for further details.

Further strengthening the JD brand globally
The JD brand operates as a global organisation under the guidance and leadership of JD Global Managing Director, Michael Armstrong. We provide a consistent customer proposition globally, leveraging our products, merchandising, marketing expertise, and retail execution excellence through worldwide collaboration. This year, we focused on sharing best practices globally while preserving local nuances that enhance JD in each market. Consequently, we have strengthened our brand relationships, delivered one of our most successful Christmas campaigns, and recently launched our exciting new JD concept, ‘Forever Forward’.

Future Value Creation
Following another successful year of store openings, we have reflected on learnings and will continue to push further roll-out in North America and key regions in Europe, where we see strong returns and paybacks. Discipline on capital investment remains a core tenet of our JD expansion strategy and every potential new store must pass significant scrutiny to receive capital.

In the UK, we look to overall productivity including ongoing investment in our established store estate to maintain our market-leading concept. In Asia Pacific/Rest of World, we will continue to expand in existing territories and develop our franchise programme to bring the JD concept to new territories.

73
New JD fascia stores in North America

99
New JD stores in Europe

2,026
Total JD segment stores at year end

GROWING THE JD BRAND STORE FOOTPRINT

We continued our global roll-out of the JD fascia. During the year, we opened 203 new JD fascia stores, with the majority being opened across North America and Europe. We launched the JD brand in three new countries via organic owned expansion – Bulgaria, Czech Republic and Latvia – as well as the UAE, Bahrain, Egypt, Qatar, Saudi Arabia and South Africa through the launch of our franchise programme.

A breakdown of our store movements can be seen as part of the Chief Financial Officer's statement, from page 34 onwards. We continue to maintain our discipline in ensuring overall payback on our store investments is comfortably within our three year payback hurdle. In all our key markets, average returns were ahead of our targets as the JD store expansion plan continues to create value for shareholders.

Outside of our strategic markets in Europe and North America, we have transitioned from joint ventures or acquisitions to develop a capex-light franchise model. This has been accomplished with the successful launch of franchises in the Middle East and South Africa, as well as the conversion of our Indonesian joint venture into a franchise.

Strategy in Action

COMPLEMENTARY CONCEPTS

Scan to read more online about our Strategy

CAPTURE A WIDER CUSTOMER BASE AND SHARPEN OUR PORTFOLIO FOCUS

Our Ambition

JD's proposition is capable of operating at scale in multiple markets. However, our ambition is to have complementary fascias which leverage the JD Group platform, so we can target a larger share of the structural sector growth going forward, without diluting the JD brand proposition.

Progress in the Year

Our main focus within this pillar has been increasing our reach across both North America through the acquisition of Hibbett, and in Europe through the acquisition of Courir, on which further detail is provided on the next page.

In addition, following the buyouts of the minority shareholdings in FY24, we have continued to work closely with the management teams of Iberian Sports Retail Group S.L. ('ISRG') and Marketing Investment Group S.A. ('MIG') to optimise the roll-out of JD with store conversions, as well as working on integration and sharing Group best practices to improve profitability.

During FY25, we also purchased minority shareholdings in DTLR and our Canary Islands businesses as well as divested 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 the sell down of 21.58% of our shareholding and generated a notable return on our original investment. We have retained 9.78% of our shareholding.

Future Value Creation

Following the acquisition of Hibbett, we have revisited our North America strategy, ensuring alignment and optimal efficiency across our fascias through an effective integration. One of our key focuses for FY26 is continuing to build out this strategy and solidify our position as a leader in the North America sportswear market. We have identified several supply chain and back-office synergies and have plans to deliver a minimum of $25 million. The benefits will start to flow through this year and grow thereafter.

Similarly, we will focus on the integration and development of Courir. The Senior Leadership team and operational infrastructure have been retained, and it is the intention that the Courir fascia will maintain its identity and run autonomously from JD's France operations. Leveraging Courir's extensive knowledge in managing female oriented stores will significantly broaden the capabilities and opportunities across the Group. We will leverage its strong position in France and JD Group's strong position in Spain and Italy to support Courir expansion in those markets.

In Spain, Portugal and Greece, we have had a strong year with our Sporting Goods business. We are well positioned to focus on developing our market share and our profit. Our Outdoors business has also seen progression in profitability, and we will continue to sharpen the leading position this business has in the UK Outdoors market.

1,485
Complementary Concepts stores acquired with Hibbett and Courir

21
Complementary Concepts stores converted to JD in Europe

2,221
Total Complementary Concepts stores at year end

HIBBETT

Headquartered in Alabama, Hibbett is a leading sports fashion inspired retailer with 1,199 stores at the end of the period. It currently operates through two fascias: Hibbett and City Gear. Hibbett has been serving customers for more than 75 years with convenient locations in underserved communities, personalised customer service and access to leading brands such as Nike, adidas and Jordan across footwear, apparel and accessories. Acquiring Hibbett is an important strategic milestone in the largest sportswear market in the world. Hibbett's footprint is complementary geographically in the US to our existing US fascias. It enhances our presence and achieves our objective of strengthening our existing community fascias, being Shoe Palace on the West Coast and DTLR on the East Coast.

Given the diverse customer demographics across the US, JD and Finish Line, plus our community fascias of Shoe Palace, DTLR and now Hibbett, ensure that the Group has a proposition for consumers across all US communities that connects to our 'Mass, Reach, Focus' property strategy.

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. This acquisition will strengthen our brand relationships further as we continue to deliver a differentiated and world class omnichannel proposition for customers.

COURIR

Headquartered in Paris, France, Courir has 297 stores (at the end of the period) across France, Spain, Belgium, the Netherlands and Luxembourg. In addition, there are a further 35 stores which trade under franchise agreements as Courir in North West Africa, the Middle East and French overseas territories. Further, there are three stores which trade as Naked in Denmark, an elevated concept for women's sneakers. The acquisition has broadened the Group's customer reach, adding a more female, fashion conscious and older customer base to complement the Group's core customers.

Strategy in Action

BEYOND PHYSICAL RETAIL

EXTEND THROUGH A LIFESTYLE ECOSYSTEM INCLUDING LOYALTY AND OMNICHANNEL

Our Ambition

Having expanded both our physical and digital channels successfully in recent years, we have moved to a fully omnichannel model. Omnichannel is the right customer proposition as it is a competitive advantage to have local presence. We believe that JD, as a brand, is trusted by consumers and this relationship can be extended into other categories to create a lifestyle ecosystem of relevant products and services. We also want to strengthen the platform on which we will operate and grow, which means strengthening our systems architecture and our supply chain.

Progress in the Year

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.

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 successfully opened a major automated warehouse in Australia to significantly increase capacity.

We have developed our 'ship from store' capability to shorten our lead times in Europe and to reduce our fixed costs with the closure of the Derby distribution centre in UK. 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 of the profitability of our online business.

We also continue to evolve our JD STATUS loyalty programme – see page 29.

Future Value Creation

On digital, we are making strong progress on our investment to re-platform our websites. The US will be our first go-live before the end of 2025, with the UK and European markets to follow.

Heerlen should begin to deliver benefits for Europe early next year, now that the project is back on track with go live in 2025 and set to be fully live by the end of 2026.

As part of our North America strategy, Morgan Hill, our distribution centre on the West Coast of the US, will become our first multifascia distribution centre in the country by the end of FY26. This will enhance the speed to market for our West Coast stores and provide a blueprint for converting our other US distribution centres to multifascia operations. This transition will result in significant cost savings and increased capacity in the future.

>8m
Global JD STATUS active accounts

c.30%
JD STATUS UK in-store sales mix

>30%
AOV increase – UK, Ireland and France (loyalty vs. non-loyalty)

EVOLUTION OF JD STATUS

We have expanded our US loyalty programme JD STATUS in the UK, Ireland, France and Eastern Europe, with more than 8 million active accounts globally. This serves as the foundation for developing closer, more targeted, personalised and valuable relationships with our customers.

Our UK programme continues to grow, boasting 2.6 million accounts and a sales mix exceeding 30% across our store estate. JD STATUS members exhibit a 10% increase in shopping frequency and a 24% increase in value compared with non-members. We have also introduced a highly personalised boost programme, targeting customers based on their shopping behaviour and captured data, which is a crucial step towards optimising the personalised customer experience.

In France, the programme launched on the day of the Paris Olympics opening ceremony in July 2024, followed by Ireland in November 2024. The average order value uplift in-store since launch for loyalty vs. non-loyalty customers is c.+30% across the UK, France and Ireland. We also launched JD STATUS in Poland in July 2024, with Romania following in January 2025 and both territories performing well post-launch.

Strategy in Action

PEOPLE, PARTNERS AND COMMUNITIES

Scan to read more online about our Strategy

BEST FOR OUR PEOPLE, BEST FOR OUR PARTNERS, BEST FOR OUR COMMUNITIES

Our Ambition
We want to provide our colleagues with the best opportunities to develop their individual careers and to support them in achieving their ambitions, to be the best partner for the brands and the best advocate for the communities where we operate globally. 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.

Progress in the Year
Our focus continues to be on four key pillars: improving our people systems functionality; creating a target organisation for future growth and people development; developing our key partner programmes; and continuing to make a positive contribution to the communities in which we operate.

People Systems: We implemented a new and enhanced Group Human Resources Information System ("HRIS"), which went live in the UK in early 2025. Additionally, we have launched our new communications app, "JD Now," which for the first time enables colleagues worldwide to connect in a more interactive manner.

People Development: Over the past 12 months, we have invested in development pathways by mapping out progression opportunities across all functions within our business. For instance, the Retail employee roadmap now includes 10 specifically designed programmes aimed at fostering personal and professional growth. We are committed to providing relevant and robust resources to support the emerging talent within our organisation.

Key Partner Programmes: Critical to our success are the strong and profitable relationships with our global brand partners. The Group's close relationship and in-depth understanding of our customers enable us to be the first to discover and capture trends. Despite a challenging marketplace this year, we have leveraged this strength to innovate with our partners, access the latest products and create our most effective multi-brand global marketing campaigns to date. We have placed a strong emphasis on nurturing long-term relationships while forging new partnerships with emerging brands. Our holistic approach enhances collaboration on retail and marketing strategies, not just product, ensuring mutual growth and success. By defining ranges on a store-by-store basis, we can effectively test and scale brands and new product franchises, driving innovation and excellence.

Community Contributions: It has been an immensely successful year for our community initiatives across the globe with over £4.5 million donated between JD Foundations in the UK and the USA and our projects in Europe, benefiting more than 200 community projects and charities. For further information on JD Foundation initiatives, please refer to page 77 onwards.

Future Value Creation
Following the introduction of "JD Now", our first truly global platform connecting teams like never before, we have also laid the foundations for the international roll out of "JD UP", continuing to raise aspirations of young people in our communities. We will continue to work closely with our brand partners to navigate the evolving marketplace, and our future ESG strategy can be found on page 54 onwards.

75%

Colleague share under 30

79k

Colleague voices heard in Global Engagement Survey

ENGAGING OUR COLLEAGUES, IMPROVING OUR COMMUNITIES

More than 75% of our colleagues are under the age of 30. The bond between our colleagues and customers is part of our DNA. Accordingly, we place people and communities at the centre of our business.

Our colleagues are more engaged with the Group than ever before, with over 79,000 (representing 36 countries) sharing their thoughts and opinions with us via our Global Engagement Survey – over 19,000 more than last year.

The Group makes a real difference to the communities of our colleagues and customers via the JD Foundation. The JD Foundation partnered with Neighbourly this year to engage our colleagues across the whole of the UK and Republic of Ireland in local community projects and apply for a grant from the JD Foundation.

The Group will continue to support colleague and community development initiatives and health and wellness programmes, whilst taking positive action to support underrepresented voices.

Key Performance Indicators

FINANCIAL

Revenue[1] £m

£11,458m

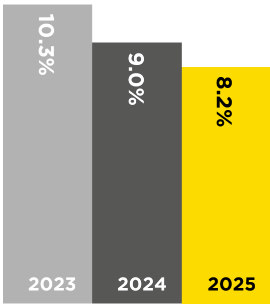
Definition
Sale of products to consumers excluding value added and other sales-related taxes, and other revenues including gym subscriptions.

Rationale
Revenue is the fundamental driver of stakeholder value creation and reflects the strength of our brand and the success of our business model.

Performance
Revenue increased by 10.2% in FY25, driven by organic sales growth of 5.8% and the acquisitions of Hibbett and Courir, which added £852m revenue.

Operating margin before adjusting items after interest on lease liabilities[1*] %

8.2%



Definition
Operating margin before adjusting items after interest on lease liabilities* as a percentage of revenue*.

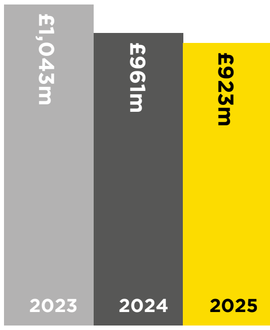
In FY25 we have updated our operating profit KPI to include interest on lease liabilities reflecting the full cost of servicing a property portfolio included in operating performance.

Rationale
Operating margin before adjusting items after interest on lease liabilities* reflects our ability to convert revenue into profit after taking into account all of our lease costs. This measure is a key element of our strategic plan.

Performance
Operating margin before adjusting items after interest on lease liabilities declined 80bps to 8.2% as operational investments into future growth increased faster than revenue, and the acquisition of Hibbett had a dilutive impact.

Profit before tax and adjusting items[1*] £m

£923m



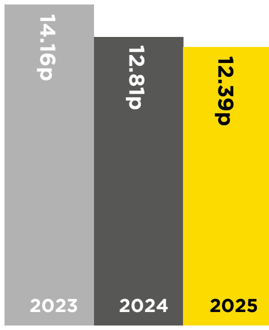
Definition
Profit before tax and adjusting items*.

Rationale
Profit before tax and adjusting items* highlights our profitability excluding adjusting items* but after our net finance expense which includes both debt and lease financing costs.

Performance
Profit before tax and adjusting items* was 4% lower than the prior period as incremental profits from acquisitions was more than offset by operational investments into future growth and an increased net finance expense resulting from increased borrowings to fund acquisitions.

Adjusted Basic EPS*[2]

12.39p



Definition
Profit attributable to equity holders of the parent excluding adjusting items* and the tax relating to these items, divided by the average number of ordinary shares in issue through the year.

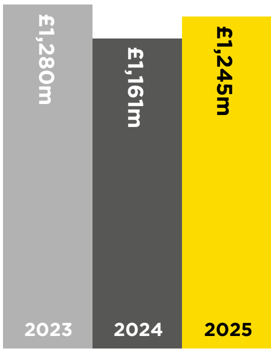
Rationale
Adjusted Basic EPS* represents the earnings, before adjusting items*, for each share owned and is often used to value the Group as the denominator of the Price to Earnings valuation methodology. This is the key measure within the Board and Senior Management long term incentive programmes.

Performance
Adjusted Basic EPS* was 12.39p, 3.3% lower than last period as a result of lower profit before tax and adjusting items* which was partially offset by a lower adjusted effective tax rate*.

1 These Key Performance Indicators (KPIs) are presented with prior period unaudited 52 week basis to aid comparability. Further information including a reconciliation to statutory measures is included in the Alternative Performance Measures section on pages 246 to 251.
2 For the financial period ended 1 February 2025, the Group has updated the adjusting items policy to include the amortisation of acquired intangible assets, and applied retrospectively. Please refer to Note 4 for further details of the restatement.
'*' Indicates the use of a term defined and explained in the Alternative Performance Measures section on pages 246 to 251 along with a reconciliation to statutory measures. Further information regarding adjusting items is provided in Note 4 to the financial statements from page 168.

Operating cashflow net of lease repayments* £m

£1,245m



Definition
The amount of cash generated from operations after lease payments.

In FY25 we have updated our operating cashflow KPI to show operating cashflows generated from the business including lease payments, but before capital investment and movements in working capital. This metric reflects the underlying cashflow generated from our operations.

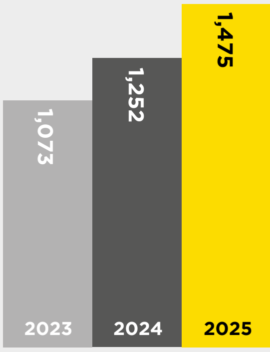
Rationale
Operating cashflow net of lease repayments indicates the level of cash generated from operations before tax payments that is available for capital investment, acquisitions and shareholder returns.

Performance
Operating cashflow net of lease repayments* increased by £84m to £1,245m. This was driven by the increased number of stores in the group.

NON-FINANCIAL

Number of JD fascia stores

1,475



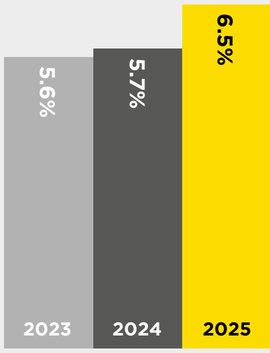
Definition
The number of stores across our global footprint that are branded JD.

Rationale
JD Brand First is the primary strategic pillar of our strategy and increasing the number of JD-branded stores is a key element of this pillar.

Performance
We increased the net number of JD branded stores by 223 in FY25. The majority of these openings were across our Europe and North America regions. Included in the 223 JD stores, were 29 conversions from Finish Line in North America.

% Share of sportswear market in which JD operates

6.5%



Definition
Gross sales to align with the basis used by the recognised industry data provider[3], as a percentage of the value of the 36 sportswear markets that JD operates in, for the nearest annual period obtained from that provider.

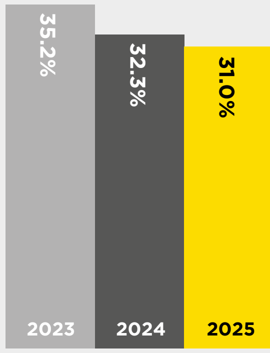
In FY25 we have updated this KPI to reflect only those markets in which the Group operates, as this gives a more accurate measure of our market share percentage.

Rationale
A growing market share indicates the strength of our relative performance and is aligned to our strategic plan of growing market share in our key markets.

Performance
We increased our share by 0.8%pts in FY25.

Apparel mix %

31.0%



Definition
Group revenue from apparel as a percentage of total Group revenue.

Rationale
Apparel mix is a point of differentiation vs our peer set and improves our ability to offer a full 'head-to-toe' sports fashion offer.

Performance
In FY25, the apparel mix reduced by 1.3%pts due to the lower apparel mix within the Hibbett and Courir businesses acquired during the year.

3 Source: Euromonitor International Limited, Apparel & Footwear 2025 edition, retail value RSP incl. sales tax, US$,year on year exchange rate, current terms.

Chief Financial Officer's Statement

"Revenue* for the group increased 10.2% to £11,458m while profit before tax and adjusting items* was £923m, a decrease of 4.0% on the prior year as we invested in future growth.

The Group's strong cash generation and balance sheet was demonstrated again with operating cash flow net of lease repayments* of £1.2bn and net cash before lease liabilities* of £52m at 1 February 2025"

Dominic Platt
Chief Financial Officer

FINANCIAL PERFORMANCE REPORT

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.

Financial Performance

	52 weeks 2025	Restated(1) 52 weeks 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 4 for further details of the restatement.

Throughout this Annual Report, '*' indicates the use of alternative performance measures. Please refer to pages 246 to 251 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 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 or 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[1] £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 4 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.

Chief Financial Officer's Statement continued

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 4 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

Chief Financial Officer's Statement continued

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 online 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.

Chief Financial Officer's Statement continued

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 34 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 34.

Non-cash add backs of impairments and adjusting items (including profit on disposal of associates) are explained within the CFO report on page 35.

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 11 and 12 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.

Chief Financial Officer's Statement continued

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 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	Acquisition	Transfers	Closing
JD Brand	UK		431	17	(14)	–	–	434
	North America	JD	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.

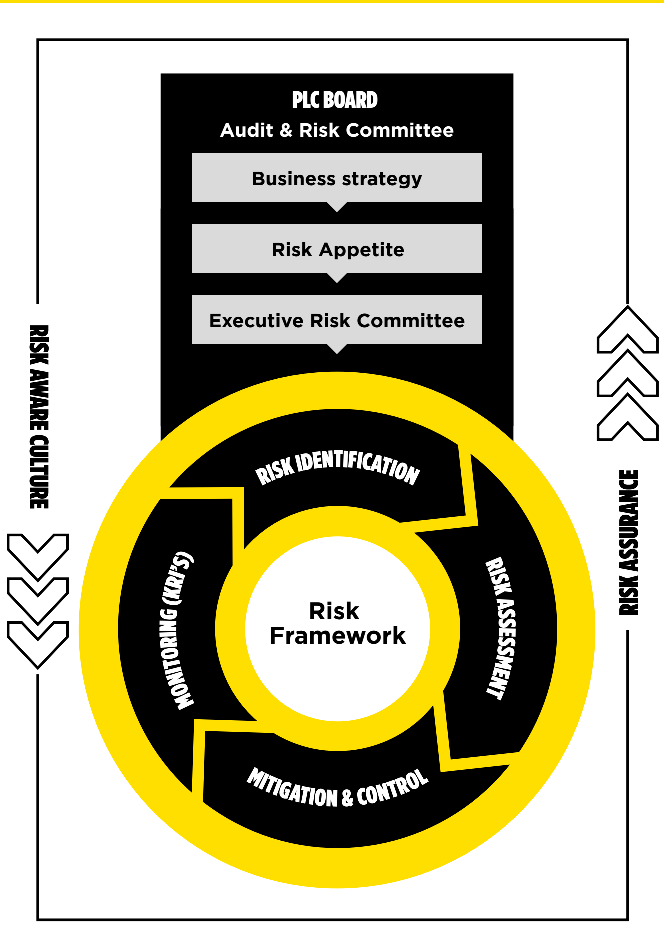
Share Buyback
As referenced above, the Group has commenced a share buyback programme of £100m on 9 April 2025, which will complete no later than 31 July 2025.

Principal Risks

OUR FRAMEWORK AND PROCESS

Risk Management Process
Our Risk Management Framework ('RMF') sets the foundations and arrangements for risk management across JD Sports Fashion Plc. The purpose of the framework is to assist the Board in executing the Group strategy by providing a standard approach and process for the management of risk. By clearly defining the Group approach to risk, it allows us to have a common language and set of standards to be applied, providing clarity in the information used for decision making. A common risk language means that management can more easily consider risk priorities across all divisions, fascias and processes, and thus can act on areas of greatest importance to the Group.

The RMF contains nine risk appetite statements which underpin our Key Risk Areas ('KRAs'). Each statement defines the level of risk which the Group is willing to accept in normal business operations, before taking additional action. Depending on our risk appetite, we either mitigate, accept, or take action to reduce. The Board is responsible for refreshing these statements on an annual basis and aligning with the Board's commitment to manage risk effectively. Further, the Board sees the value in a connected and embedded process where risks and opportunities are considered when making decisions to meet strategic objectives.



Key Risk Areas
During the year, the Plc Board and Audit & Risk Committee reviewed the KRAs for the Group. These are determined by reference to the sector and markets we operate in, our overall business model and our strategic aims. The nine KRAs below drive the overall structure of risk identification, assessment and management. Each KRA has an Executive owner, who has day-to-day responsibility for managing risks within the defined risk appetite, agreeing controls and mitigations, and Key Risk Indicators ('KRIs') to support monitoring and reporting. During the year, responsibility for merchandising has moved from Logistics to Retail Operations to better align with the Executive structure.

Key Risk Areas

1 Strategic	2 Logistics	3 Retail Operations
4 Technology	5 Legal & Regulatory	6 Financial
7 People	8 ESG & Sustainability	9 Property

Risk Management and Internal Controls
The Board, in conjunction with the Audit & Risk Committee, has full responsibility for monitoring the effectiveness of the Group's system of risk management and the supporting system of internal controls. Executive Directors and Senior Management, as part of the Executive Risk Committee, are tasked with managing risk on a day-to-day basis. Additionally, the Board operates the following features of risk management and internal controls:

- A well-defined organisational structure with clear roles and responsibilities.
- Ongoing roll-out of an Entity Levels Controls Framework, including a suite of policies and procedures. These are designed to communicate expectations and set standards in key areas such as Health & Safety, Information Security, Whistleblowing, Bribery Law and Competition law.
- Identification and monitoring of the business risks facing the Group, including: consideration of assurance sources and controls; and further assurance work as necessary, including investing in teams which focus on internal control, risk-based assurance and profit and asset protection.
- Detailed appraisal and authorisation procedures for commitments and investment, which are documented in the Matters Reserved for the Board, Delegated Levels of Authority document, and the Group's Contract Authorisation Policy.
- Preparation of monthly management accounts providing relevant, reliable and up-to-date information. These allow for comparison with budget and prior year results. Significant variances from approved budgets are investigated as appropriate.

- Preparation of annual budgets allowing management to monitor business activities, major risks and the progress towards financial objectives in the short and medium term.
- Monitoring of store procedures and the reporting and investigation of suspected fraudulent activities.
- Reconciliation and checking of all cash and stock balances and investigation of any material differences. The Board continues to review opportunities to develop, strengthen and optimise the effectiveness of these systems.

An experienced Group Head of Assurance has overseen both Internal Audit and Enterprise Risk Management capability during the year. Moving forward, we are separating the risk management function in line with a traditional three lines of defence model. An experienced Head of Risk will join the Group in Q2. The Board, via the Audit & Risk Committee has approved the RMF. As part of this framework, a quarterly Executive Risk Committee reviews and acts upon risk information.

The RMF provides a standardised basis for identifying, assessing and managing enterprise level risks. It also contains risk appetite statements which have been approved by the Board and are referenced within each KRA in further detail from page 46. These statements underpin the Board's commitment to managing risk effectively.

Continuous Improvement
The Group Risk team regularly consider the appropriateness of the RMF against best practice risk management standards and via active participation in external risk industry groups. Any proposed changes to the framework are presented to the Executive Risk Committee and Audit & Risk Committee for approval.

During the year, we have introduced a rolling programme of deep dives into risk topics at both the Executive Risk Committee and Audit and Risk Committee. At these sessions, the risk owners present to the governance forums on current and emerging threats, and activities taken to mitigate potential risks. During the year, Cyber and Data Protection risks have been considered in detail.

During the year, we have started the process to roll out the RMF to the wider business via a series of divisional risk workshops. These workshops are refining our view of risk and in time, we expect a similar routine of risk reviews and KRI reporting that we have now established at the Group level to operate divisionally.

Internal Controls Programme
Our internal controls programme continues to progress, with a near-term focus on internal controls over financial reporting and IT controls. Our programme of work will also include planning assessment and reporting on Material Controls, as required by the updated Corporate Governance Code on Provision 29. Work of the Internal Controls team currently extends to the following:

- Group-wide internal controls over the financial reporting framework: Ensuring consistency, accuracy, and reliability in financial reporting across the organisation.
- Entity-level controls aligned to the COSO framework: These controls are being enhanced to ensure robustness and consistency of control across the Group.
- Assessment of the risk of material fraud: identifying potential sources of material fraud and confirming the presence of effective controls.
- Future developments in internal controls: identifying and evaluating material controls over reporting, operational and compliance risks to align with Provision 29.

The Board continues to support the development of Risk Management and Internal Control activities, in line with Group-wide improvement plans, as previously reported.

Refer to the Audit & Risk Committee Report on page 106 for the assessment of the effectiveness of internal controls.

Assessment of Principal and Emerging Risks and Uncertainties
A key part of our Risk Management approach is to continuously identify and assess any emerging risks which have the potential to impact the Group's strategic aims. The Executive Risk Committee and the Board, via the Audit & Risk Committee regularly consider any emerging risks. A formal horizon scanning exercise was completed post year end, considering the Company's emerging risks on a three year horizon. The following risks are areas of focus for the Committee moving forwards:

- US Fascia strategy following the acquisition of Hibbett Inc, and the renewed importance of the US market to the Group and how this will be supported by distribution centre optimisation and improvements.
- The potential for future shifts in consumer behaviour and macro trends, alongside a change in population demographics. We mitigate this via our Buying and Merchandising lifecycle, and the wide range of brands and products that we retail.
- Over the coming years there is the potential for competitor consolidation. The Group maintains excellent relationships with our key Brand Partners, and our purchasing power remains high. Our diversified and extensive store portfolio means we can negotiate with landlords from a position of strength. Our digital offering and overall social engagement continue to be attractive to our target audience.
- The recent announcements in respect of tariffs continue to evolve and the Group is monitoring the position carefully. While the full impact to the Group, and in particular our US businesses, is difficult to accurately quantify, elevated tariffs are likely to impact the Group in three areas. The first area is the macro impact on the economy and consumer habits. This is being monitored, but in the short term, it is likely that the cost of goods and services for US customers will rise to some degree, with a potential impact on overall consumer demand and we consider this has the potential to have the largest impact on the Group. The second area relates to our brand partners who produce a large proportion of their products in Asia. We are working closely with our Brand partners as they determine the impact on their supply chain. While we expect actions to be taken to mitigate the impact of increased tariffs across the supply chain, there is likely to be some upward pressure on retail pricing. Finally, our own brand and licensed goods products, representing less than 10% of our total sales, and the purchase of goods and services not for resale such as store fixtures and fittings. We source from a wide range of countries, and we have modelled the potential impact of tariffs. The impact on the Group is not considered material and we are acting to build on work we have already started to further diversify the range of countries from which we source own label and licensed product.
- The emerging use of "Artificial Intelligence" (AI) technologies, including: how this increases the frequency or complexity of cyber-attacks; maintaining compliance with new AI legislation; and reputational damage from the failure to be transparent in how we use AI. We have a new strategy in place for AI and will be closely monitoring compliance with emerging AI legislation. Our cyber posture continues to mature, and this is an area of significant focus and investment for the Group.

Each of the principal risks is owned by a member of the Executive team, and is subject to a review on a quarterly basis at the Executive Risk Committee. Each risk is managed against the defined risk appetite statement, as a mechanism for making decisions on how risks are managed within the business and the actions required to mitigate them. At least once a year, the Plc Board, supported by the Audit & Risk Committee, assesses how effectively the Group manages principal risks in line with any supporting mitigation action plans.

The Directors confirm that, during the financial period, there has been a robust assessment of the principal risks and uncertainties facing the Group, including any emerging risks, and those that would threaten its business model, future performance, solvency or liquidity. The principal risk areas remain broadly consistent with those reported in the prior period.

Principal Risks continued

The following table outlines the Group's risk appetite statements and principal and emerging risks across our nine Key Risk Areas. We have highlighted any change in perceived risk exposure in 2024/25, the mitigation activities undertaken and links to our strategy. The table only includes those risks that the Group has identified as principal risks.

Key:

Change in risk exposure	Increased risk exposure	No change in risk exposure	Reduced risk exposure	
Strategic link	JD Brand First	Beyond Physical Retail	Complementary Concepts	People, Partners and Communities

1 Strategic

We monitor consumer, brand, competitor and market trends to ensure our strategy remains relevant for our consumers. The delivery of our strategy requires a high volume of organic and inorganic change which may not be effective. To minimise this, we plan implementation so we can manage resources and assess results, reworking if required to limit our exposure.

Risk	Potential Impact	Mitigating Activities
Key Suppliers & Brands **Change in Risk Exposure 2024/25 before Mitigating Activities:** No change **Link to our strategy:** JD Brand First; Complementary Concepts	The retail fascias are heavily dependent on third-party brands and these brands themselves and their products being desirable to the consumer if the revenue streams are to grow. The Group is also subject to the distribution policies operated by some third-party brands. Further, supply chain issues or a reduction in the allocation of stock from key suppliers could negatively impact the results of the Group. Brands may opt to discount certain lines via their Direct to Consumer ('DTC') channels, which could have a knock-on effect on our revenue and margins.	The Group regularly engages with its key suppliers with the aim of continuing to receive the exclusive, differentiated footwear and apparel which our consumers desire. We seek opportunities to work in partnership with the third-party brands on the design of bespoke product which is then exclusive to the Group's fascias. The Group aims to add new brands to its offer and provide a stable of evolving private labels to ensure the offering remains relevant.
Acquisition, Value & Integration **Change in Risk Exposure 2024/25 before Mitigating Activities:** No change **Link to our strategy:** JD Brand First; Complementary Concepts	JD's status as a premier global strategic partner with key international brands is an important factor in the success of the Group. Acquisitions and expansion into new territories should align with the Group's overall corporate strategy and further develop these brand relationships. Acquired businesses may fail to realise expected synergies, growth targets and performance, impacting the Group's profitability and cash flows. Following major acquisitions in FY25, the business has now moved into an integration phase and any risk exposure remains stable.	Our operational centres of excellence model supports the global expansion of the Group. In addition, the utilisation of a franchise model in non-core markets will ensure that the brand and partnerships can be utilised to drive profit whilst appropriately managing risk and capital exposure. All acquisitions go through a robust Board approval process, which includes a thorough review of acquisition proposals, business cases and extensive due diligence from specialist advisors. Integration plans for acquisitions are developed and monitored by our Group Transformation team. Integration activities are underway to embed Hibbett and Courir (acquired in FY25) into the North America and European businesses. Key performance metrics are closely monitored, in line with original business cases as part of the Quarterly Business Review Process.
Retail Market & Geopolitical Risk **Change in Risk Exposure 2024/25 before Mitigating Activities:** Increased **Link to ours strategy:** JD Brand First; Complementary Concepts	As with other retailers and distributors, the demand for the Group's products is influenced by several economic factors. These economic factors are impacted by events outside of the Group's control, for example, global conflicts and the ongoing cost-of-living crisis. The emergence of tariffs on trade means that this risk is increasing.	The Group seeks to manage this risk by offering a highly desirable and competitively priced product range, which is highly differentiated from that of the Group's competitors, including complementary concepts targeting different demographics. In line with our proven long-term approach, we endeavour to maintain trading discipline, gross margins, clean inventory, and strong cost control. The impact of the cost-of-living crisis is less significant than may be anticipated given the demographic and geographic spread of the Group's core customer base, who are less exposed to some of the direct cost-of-living impacts, for example, interest rates. The Group is also diversified by nature of the global markets in which we operate. The Group monitors trends in the athleisure market through specialised fascias and wider market developments.

2 Logistics

We maintain and manage capacity in our infrastructure and systems to ensure we operate safely and efficiently. We can withstand severe stress and can respond rapidly to material incidents. We aim to manage our supply chains to ensure we get our inventory to our customers while managing the risk of obsolescence through accurate planning.

Risk	Potential Impact	Mitigating Activities
Excess Inventories **Change in Risk Exposure 2024/25 before Mitigating Activities:** ↔ **Link to our strategy:** JD Brand First; Complementary Concepts	As with other retailers and distributors, the Group's core retail business is highly seasonal and the most important trading period in terms of sales, profitability and cash flow in core businesses continues to be the Winter trading season. Lower-than-expected performance in this period may have an adverse impact on results for the full period and may result in excess inventories that are difficult to sell at full value.	The Group seeks to manage the risk of excess inventories by monitoring the stock levels and managing the peaks in demand constantly with regular sales re-forecasting. Our terminal stock mix (products identified as slow moving) and stock obsolescence provisions remain low in the context of Group sales. Both metrics are reported to the quarterly Executive Risk Committee, and any changes are managed at that level.
Business Interruption **Change in Risk Exposure 2024/25 before Mitigating Activities:** ↔ **Link to our strategy:** JD Brand First; Complementary Concepts	Significant amounts of stock are held in any one of the Group's warehouses. As a result, there is an increased risk to store replenishment and multichannel fulfilment from both equipment and system failure, together with the inherent risk of holding large amounts of stock in any one location.	We are bolstering our internal business continuity planning ('BCP') capability through the recruitment of specialist practitioners. Our maturity in this area varies by facia and geography, including facilities which can be used in a continuity scenario. Formal plans are being developed for our distribution centres, major office and technology sites. A full support contract with our automation equipment providers is in place, which includes a 24/7 presence from qualified engineers, thereby enabling immediate attention to any equipment issues. The Group also pays for enhanced 'hypercare' support over the seasonal peak period from Black Friday in November to Christmas.

3 Retail Operations

The Group sets the standard for visual merchandising, retail theatre, customer service and digital integration. We accept that, on occasion, in the normal course of business, our customer experience may fall short of expectations. However, we will not consider or accept business practices that could put our brand or customers' trust in jeopardy.

Risk	Potential Impact	Mitigating Activities
Consumer Demand & Trading Conditions **Change in Risk Exposure 2024/25 before Mitigating Activities:** ↑ **Link to our strategy:** JD Brand First	As market and fashion trends evolve, it is vital for the Group to remain relevant to new and existing customers. A failure to provide the right experience for customers may impact on our sales across key demographic ranges. Our risk rating is increasing as recent analysis shows the global sportswear market has started to grow more slowly, leading to lower than anticipated like-for-like (LFL) revenue growth.	The Group continues to invest in store refurbishment, visual merchandising, retail theatre, customer service and digital integration to enhance the consumer's in-store retail experience. JD provides customers with the latest exclusive products and builds a strong consumer connection via our premium proposition. We invest to remain the partner of choice for many international brands and JD is home to the latest ranges and styles. In terms of customer experience, we operate a wide range of digital, store and social touchpoints, and carefully monitor feedback and the success of our service. Executive Management receives weekly reports on customer feedback to stay abreast of consumer sentiment. The Group continues to innovate and lead the way with our social media campaigns, collaborating with trending influencers. Social media operates within strict guidelines for marketing and consumer engagement.

Principal Risks continued

Key:

Change in risk exposure	Increased risk exposure	No change in risk exposure	Reduced risk exposure
Strategic link	JD Brand First	Beyond Physical Retail	Complementary Concepts	People, Partners and Communities

4 Technology

We manage our tech environment so that we do not have a material operational, financial or reputational exposure as a result of internal or 3rd party failures or infosec breaches.

Risk	Potential Impact	Mitigating Activities
Technology Operations & Resilience **Change in Risk Exposure 2024/25 before Mitigating Activities** No change in risk exposure **Link to our strategy** JD Brand First Beyond physical retail Complementary Concepts	The Group relies heavily on its IT systems and networks, and those of its partners, to service its customers throughout the period across all channels. Any long-term interruption in the availability of core enterprise systems would have a significant impact on the retail businesses.	The Group manages this risk by adopting a hybrid, multicloud strategy. We apply procurement and legal processes that ensure our service level agreements with vendors are appropriate for the business needs. Material IT services for the Group are hosted in enterprise-grade data centres with high availability and reliability at the core of their design. The Executive Risk Committee regularly reviews information on service availability across our 'platinum' service providers. Backup and disaster recovery capabilities are in place across the Group. Our IT General Controls programme will provide further assurance over these processes.
Cyber Security **Change in Risk Exposure 2024/25 before Mitigating Activities** Increased risk exposure **Link to our strategy**	Cyber-crime is becoming more sophisticated and readily accessible (e.g. usage of Generative AI), with the risk increasing across all markets. Any cyber-attack or breach of data may result in the short-term loss of revenue and diverted resources, while there is also the risk of a longer-term negative impact on customer confidence and the Group's reputation. The continued growth of the Group via acquisition leads to a more complex network of IT systems. The Group recognises the importance of maintaining a robust set of cyber security policies, procedures and technical controls across all business areas. The recent high profile attacks against major UK retailers suggests that Cyber Security risks continue to increase.	The Group is further increasing investment to protect our sites, systems and customer data from exposure to cyber-attacks. We continue to focus on increasing the level of cyber security education and awareness across all Group staff. The Group has processes to review and manage the security risks within our IT systems in order to quickly detect and respond to any threats that occur. We will respond to all known cyber security incidents proportionately and have strategic partners and technology to protect the business. Independent assessments of the Group's security posture are undertaken to ensure that the correct people, processes and technology are in place to mitigate against the ever-changing threat landscape.

5 Legal & Regulatory

We aim to comply with all applicable laws and regulations and to protect the Group from third party infringements which could cause reputational damage or damage the Group's ability to fulfil its strategic objectives. We have appropriate policies, processes and controls in place to ensure that legal and regulatory standards are understood and that compliance is monitored.

Risk	Potential Impact	Mitigating Activities
Data Protection Compliance **Change in Risk Exposure 2024/25 before Mitigating Activities** ↔ **Link to our strategy** JD Brand First Complementary Concepts People, Partners & Communities	The Group's rapid growth and strategy place increased reliance on digital capability and customer engagement. Any processing of customer or employee data outside of the regulatory requirements of each jurisdiction in which the Group operates could result in complaints, litigation, regulator action or a loss of consumer confidence.	The Group has a highly skilled Data Protection team in place to advise the business, monitor compliance and to provide ongoing training, supported by awareness campaigns. A continuous risk-based improvement plan is in place to ensure that a consistent and repeatable Data Compliance process is rolled out across the Group.

Risk	Potential Impact	Mitigating Activities
Regulatory & Compliance **Change in Risk Exposure 2024/25 before Mitigating Activities** ↔ **Link to our strategy** People, Partners & Communities	The Group operates in a fast-paced retail environment which is subject to legislation, codes of practice, guidance and standards in each territory in which the Group operates. The Group recognises that failure to comply with these legal frameworks may result in financial or reputational damage to the business. The Group's practices and colleague behaviours could result in breaches of laws and fines. The Group did not experience any material regulatory issues in the year. However, with the range of territories in which the Group operates, and emerging legislation covering areas such as AI, the risk exposure remains similar to previous years.	The Group's Legal Compliance team advises the business on legal compliance matters and aims to ensure compliance with all applicable legal and regulatory frameworks, with the support of external advisors as required. The Group has appropriate policies and procedures to ensure that colleagues in the business are aware of the rules and regulations and can make appropriate decisions on a day-to-day basis. Training programmes are provided, targeted to relevant colleagues, to ensure awareness of rules and regulations and to allow informed decision making.

Principal Risks continued

Key:

Change in risk exposure	Increased risk exposure	No change in risk exposure	Reduced risk exposure
Strategic link	JD Brand First	Beyond Physical Retail	Complementary Concepts	People, Partners and Communities

6 Financial

We will not accept risks that threaten our financial stability. Our risk management frameworks ensure that we have appropriate processes and controls in place to minimise the occurrence of fraud, inaccurate financial reporting, and financial exposures. We aim to ensure continuity of our activities and optimise spend with third-party suppliers using only what services are needed, managing performance to deliver value.

Risk

Foreign Exchange

Change in Risk Exposure 2024/25 before Mitigating Activities

No change in risk exposure

Link to our strategy

JD Brand First

Complementary Concepts

Potential Impact

The Group is exposed to economic impacts due to the global reach of the Group, given potential movement in the foreign exchange rates from macro-economic and geo-political events. Transactional exposure can also occur from the global operations of the Group via incurring costs and making investments in several currencies.

In addition, translation exposure may arise due to the consolidation of global currencies to Sterling for the purposes of Group financial reporting.

Mitigating Activities

The Group assesses and identifies foreign exchange exposures on a global basis, and where a natural hedge is unavailable, then these exposures are hedged using foreign exchange forward contracts under a Board approved Treasury Policy. The majority of our product is sourced locally in local currency, which creates a natural hedge and mitigates foreign exchange transaction risk for the Group. Liquidity and debt are largely held in the functional currency of the local holding company to fund investments and working capital in each region.

Risk

Inaccurate Reporting Due to Fraud or Error

Change in Risk Exposure 2024/25 before Mitigating Activities

No change in risk exposure

Link to our strategy

People, Partners & Communities

Potential Impact

The Group has a number of policies and procedures in place to mitigate the risk of inaccurate reporting due to fraud or error. However, several factors increase the risk of fraudulent or inaccurate reporting going undetected. These include the number of entities, the geographic spread of the Group, the extent of manual processing (both when recording transactions and at the Group level) and improvements needed to the control environment.

Mitigating Activities

The Group has a well-established profit protection function which lays out clear policies and processes to manage store and operational fraud risks. As part of a wider Finance Transformation Programme, the Group has continued to make progress in improving the overall financial and IT control environment. This programme has included improvements to operational finance processes and is overseeing enhancements to our suite of finance systems. We are continuing to develop our entity-level controls, and our fraud identification and prevention processes including detailed risk assessments. The Internal Controls over Financial Reporting ('ICFR') programme continues at pace with a current focus on improving IT general controls, increasing automation and reducing reliance on manual processes and controls. Further detail is set out in the Audit & Risk Committee Report.

7 People

We have processes in place to ensure the development, wellbeing and welfare of our colleagues, with culture and behaviours that underpin retention and act as a key tool in recruitment. We aim to operate with integrity and always within legislative guidance.

Risk

Talent & Resourcing

Change in Risk Exposure 2024/25 before Mitigating Activities

Reduced risk exposure

Link to our strategy

People, Partners & Communities

Potential Impact

The success of the Group is dependent upon the continued service of its key management personnel, and upon its ability to attract, motivate and retain suitably qualified employees.

Our significant investment in resourcing compliance and support teams, and general stability in senior leadership positions across the Group means our risk exposure has reduced.

Mitigating Activities

To support the growth of the Group, we remain committed to the development of our colleagues globally across all business areas. Succession plans are in place to ensure continuity. Recruitment processes are in place to ensure colleagues have a comprehensive onboarding experience. The Group also has a long-established training function which seeks to develop training for all levels of retail employees and thereby increase morale and improve staff retention. This ensures that knowledge of the Group's differentiated product offering is not lost, thereby enhancing customer experience. We have a dedicated global mobility team responsible for the movement of colleagues globally, managing our UK skilled worker sponsorship and supporting travel across the world.

8 ESG & Sustainability

We source responsibly from our countries and partners with acceptable working practices, adopting our sustainability and ethical principles, aiming to keep our customer safe at all times. We recognise our responsibility as a major enterprise and engage with our colleagues, community and other stakeholders.

Risk

Climate Strategy and Disclosures and Targets

Change in Risk Exposure 2024/25 before Mitigating Activities

↔

Link to our strategy

People, Partners & Communities

Potential Impact

Climate – regulation and targets
Failure to achieve climate-related targets may expose the Group to future increases in taxation and energy costs.

Failure to meet new regulatory requirements or standards (e.g. CSRD – Corporate Sustainability Reporting Directive, ISSB - International Sustainability Standards Board) may result in financial penalties and damage to reputation.

If the Group's comparative environmental performance falls behind that of sector peers, it could damage both brand relationships and customer perception.

Climate – physical risks
Increase in physical climate risks (such as precipitation patterns, water scarcity and extreme variability in weather) may impact both raw material availability to our brands and the cost of raw materials.

Mitigating Activities

Climate – regulation and targets
Our ESG Committee monitors all climate-related target performance. The Group remains on track for its pathway to Net Zero and invests in energy-reduction infrastructure and renewable energy to support climate related targets.

The Group has fully adopted TCFD (Task Force on Climate Related Financial Disclosures) to disclose all known climate-related risks, mitigations and opportunities.

Global disclosure frameworks are benchmark climate performance. The Group achieved CDP (Carbon Disclosure Project) 'A list' for climate change and proactively monitors ESG ratings from bodies such as MSCI and Sustainalytics.

Climate – physical risks
Our largest brands have sourcing operations in multiple countries to reduce supply chain risk, including climate change risks linked to raw material sourcing and manufacture. See page 59 for the Group's high-level climate scenario analysis.

Risk

Human Rights in the Supply Chain

Change in Risk Exposure 2024/25 before Mitigating Activities

↔

Link to our strategy

People, Partners & Communities

Potential Impact

Failure to uphold the rights of people working in the Group's private label supply chains may result in poor working conditions and result in negative publicity. Similarly, major brands that experience supply chain human rights issues may suffer adverse sales due to reputational impact.

Mitigating Activities

The Group audits it's private label supply chain, including agents, factories, mills, dye houses and print houses. Audit status is disclosed to the ESG Committee. Our suppliers are required to adhere to our Ethical Code of Practice. Third-party accredited auditors assess factories used for private label products.

The Group monitors it's largest brand partners for supply chain social standards and processes, including adoption of International Labour Organization principles, Fair Labor Association accreditation and support for Better Work programmes.

9 Property

The development and expansion of our store portfolio will be carefully considered against performance standards, and we will not accept sub-premium store locations or stores which fail to meet contribution targets. We aim to conduct our business activities in a way which minimises the risk of harm to our employees, customers and other stakeholders.

Risk

Ability to Scale in line with Growth Agenda

Change in Risk Exposure 2024/25 before Mitigating Activities

↓

Link to our strategy

People, Partners & Communities

Potential Impact

The Group has plans to increase the global footprint of JD stores, including organic growth alongside upsizing and relocating existing stores. The use of sub-optimal store locations could result in lower contribution and longer payback of capital expenditure.

During FY25, the Group has experienced significant growth both organically and via acquisition. The risk associated with identifying a large number of profitable new locations is now reducing.

Mitigating Activities

A comprehensive pipeline of store opportunities is maintained by our Property team. The Group Property Board signs off on all potential store locations aligned to a defined set of success metrics. Performance is closely monitored via a monthly store performance report, including oversight of capex spend on a weekly basis and a post-investment review process. Our fundamental methodology for site selection has been tested over several years and is well defined, intelligence led and consistently applied. Any delays to store openings are escalated to Senior Management. New property lease agreements are actively managed by Senior Management, with caps on the length of leases, break options, capped rent reviews and rents based on store revenue. When the Group determines that the current store performance is unsatisfactory, then an assessment is made as to whether the Group wants to continue trading in that location and engages accordingly with the landlord.

ASSESSMENT OF THE GROUP PROSPECTS

The Board regularly reviews the current financial position and performance and assesses the future prospects of the Group. As part of this assessment, the Board reviews the Group's income and expenditure projections, cash flows and other key financial ratios along with the potential impact of, and challenges presented by, the principal risks outlined on page 44 to 53.

The Group's strategy along with the factors likely to affect the development, performance and position of the businesses are detailed throughout the Strategic Report on pages 1 to 87.

Viability Reporting
In accordance with Provision 31 of the UK Corporate Governance Code, the Directors have assessed the Group's Viability. The Longer-Term Viability for the Group is assessed for a period longer than for the going concern analysis. The Directors have considered a period of 36 months from the balance sheet date for the assessment of Long Term Viability.

A period of 36 months has been selected as the Board considered this to be an appropriate period to assess performance and the potential impact of key risks in a fast-paced retail environment. The 36-month period also strikes a balance between the time horizons across the different aspects of the Group, such as short-term detailed financial budgets and forecasts, medium-term financing considerations and retail space planning.

Our committed UK and US bank facilities (excluding the Term loan taken out for the Hibbett acquisition) are available until 6 November 2026 and 24 September 2026 respectively and whilst this is within our viability period we expect these to be refinanced. 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. 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. We expect this to be refinanced during the viability period.

Whilst all the risks identified in our Principal Risks section could have an impact on the Group's performance, the specific risks that have been focused on for the purposes of Viability Reporting are those that pose the greatest risk to the Group's financial position, being a potential reduction in sales volumes due to:

1. A material and unexpected reduction in sales or demand due to 'shock' significant business continuity events affecting peak trading relating to:
   a) cyber-attacks (impacting our key order processing system and resulting in the Group's stores being unable to trade for a period); or
   b) business continuity events affecting the Group's main Distribution Centre.
2. 'Slow burn' scenarios relating to:
   a) business interruption impacting the availability of stock, from one of our key Sports Fashion suppliers; or
   b) increased costs of purchasing stock and reduced consumer demand arising from geopolitical uncertainty in the US market.

The Board has evaluated the impact of these risks occurring assuming any mitigating actions within the Group's control such as reductions in operating and capital expenditure were not taken.

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.

Viability Statement
All the forecast 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. The Board therefore has a reasonable expectation that the Group will be able to continue in operation and meet its liabilities as they fall due over the period of the assessment.

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) (see Note 34). The Group has committed UK borrowing facilities of £700 million (3 February 2024: £700 million) that are available up to 6 November 2026 (see Note 23), 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 which 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 at the 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 $700m 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, please refer to Note 23. 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 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 (further details of which are contained in Note 23). 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.

Dominic Platt
Chief Financial Officer
20 May 2025

ESG

INSPIRE CHANGE SHAPE THE FUTURE EMBRACE SUSTAINABILITY

ESG Index

Sustainability disclosures have – rightly – become more standardised. The Group's CDP climate change score outperformed their sector. JD's point of difference is our connection with young people. Accordingly, I am proud to share our ESG results, with particular focus on the 'S' – JD's positive impact on customers, colleagues, and communities."

Darren Shapland
Chair of the ESG Committee

The 2030 Agenda for Sustainable Development, adopted by all United Nations Member States in 2015, provides a shared blueprint for peace and prosperity for people and the planet, now and into the future. At its heart are the 17 Sustainable Development Goals ('SDGs'), which are an urgent call for action by all countries – developed and developing – in a global partnership.

The Group has referenced the SDGs most relevant to our business objectives to demonstrate our alignment with the UN's global partnership principles. For more information on SDGs, visit https://sdgs.un.org/goals

Environment:

Social:

Throughout the Annual Report '*' indicates an instance of a term defined and explained in the Alternative Performance Measures section on page 253 along with a reconciliation to statutory measures. Further detail setting out the background to the Alternative Performance Measures is given in Note 1 to the financial statements. The definition of adjusted items is included in Note 4 of the Group financial statements on page 160.

Highlights

88.1%
of colleagues responded to our Global Engagement Survey. An increase of 9% on the the previous year

75.2%
of our roles (globally) are held by colleagues under the age of 30

47.2%
of colleagues responding to the Global Engagement Survey question 'I have been promoted in my role' were under 30

CDP 'A LIST'
for 'Climate Change'

£4.5m
donated to community projects and charity partners via the JD Foundations in the UK, US and EU (FY 24/25)

Our People remain the Group's ESG 'point of difference'. We believe the close relationship between our colleague and customer demographics is a continued source of real competitive advantage. Our focus in 2024 was to continue embedding our culture at the heart of our strategy, creating a seamless link between retail, Head Office and distribution centres across the globe.

The fantastic response to our global Engagement Survey provided the Group leadership team with insights to support their objectives and focus on delivering meaningful change such as:

- Developing career pathways for all colleagues by continuing to roadmap the progression opportunities available. For example, the Retail Roadmap contains 10 specifically designed programmes to enable personal and professional growth.
- Continuing to support job opportunities for young people, our workforce is a true reflection of our customer base. Of the 75.2% under 30, 58% are under the age of 25 (an increase of 8% from the previous year).
- Development of JD's first global communication app to connect colleagues across all territories and levels, enabling access to the Group news and insights instantly. UK completed, global completion scheduled for Q4 2025.

The Group embraces its responsibility to colleagues and customers, via its 'People, Partners and Communities' strategic pillar. In support of the strategy, we are proud of our proven ability to meet and exceed our environmental targets and to evidence our contribution to the societies and neighbourhoods that we serve, across the globe.

The natural environment is being exploited faster than it can be replenished. Accordingly, transparent disclosures of climate-related risks and sustainability performance remains a key part of our business planning.

This reporting period has seen the Group retain recognition of sector-leading disclosure, most notably evidenced by the Group achieving CDP 'A List' status for Climate Change.

ENVIRONMENTAL

Key Facts

- The Group achieved its first ever 'A' grade from the Carbon Disclosure Project, joining the global 'A-list' and surpassing our sector average by two grades.
- The Group achieved a 'B' grade for Water Security, two grades above our sector average.
- Our private label Team exceeded documented targets by sourcing 99% of our cotton via the 'Better Cotton initiative'.
- The Group retained 'Zero Waste to Landfill' accreditation at our four largest UK and European distribution centres and office locations.

SOCIAL

Key Facts

- The Group continued to celebrate the key dates throughout the year, supporting our inclusive culture. Our colleagues are the voice in honouring these events in the right way. They include, Black History Month, International Women's Day, Disability History Month, International Men's Day and Pride.
- We grew our colleague networks across the UK and USA with plans to implement in other territories next FY. The networks are chaired by colleagues and sponsored by an Executive Leader.
- Our charities JD Foundation and JD Finish Line Foundation donated £4.5m to a total of 264 community projects and partnerships across the UK and USA.

GOVERNANCE

Key Facts

- Board composition and succession was reviewed, with changes being made at Board level to enhance our US market knowledge
- Engagement with shareholders has taken place throughout the year, in particular, regarding our revised remuneration policy which has been enhanced to encourage retention and focus on targets at the executive level
- Investment has been made in our Company Secretarial and Finance functions to reinforce the work completed as part of the Corporate Governance Transformation Programme, which concluded at the end of FY24, and move this into 'business as usual' activity.

ESG continued

ESG Overview

As a FTSE 100 company, we recognise and embrace our responsibility to deliver long-term shareholder value by making positive, lasting changes on material ESG matters.

We have an ESG Committee, chaired by Darren Shapland (Independent Non-Executive Director), that governs our global, Group-wide approach to sustainability, including the critical topics of: People, Partners and Communities strategy; climate change; sustainable sourcing; and the circular economy. This is supported by the ESG Management Committee, responsible for delivery leads of ESG strategy within the Group.

Further information on our ESG Committee and credentials can be found on our corporate website at www.jdplc.com/esg/governance/esg-committee.

The Group engages with and supports ESG-related initiatives to drive community engagement and create volunteering opportunities for our colleagues through our partners:

- JD France 'Sport2Job' entered its 6th edition. Combining sports competition and networking opportunity with a job marketplace specifically for young people from diverse and inspiring backgrounds.
- 'JD Football in the Community' saw 70 retail colleagues in Spain and Portugal taking part in this incredible project with young refugees.
- The Cosmos team visited the Friends of the Child Association as part of their back to school donation project.
- JD Finish Line raised over $750k via in store donations for their back to school campaign, supporting diverse and underserved communities via their not for profit partners.
- JDUP in the UK delivered a fully immersive careers event with young people from lower socioeconomic areas. Over 3,300 14 to 16 year olds attended in Manchester and London last year with 2 more events planned for 2025 taking that total to over 10,000.

Sustainability and Compliance of our Brand Partners

The Group is an omnichannel retailer of branded sports fashion, from two sources:

- Over 90% of our sales are from globally recognised third-party brand partners including Nike, adidas, New Balance, Puma and The North Face.
- The balance of product sales are from quality private label brand managed and sourced by the Group, including McKenzie, Technicals and Unlike Humans.
- The global reach and recognition of our largest third-party brands is integral to our ESG strategy and targets. To deliver value for their own stakeholders, our partners must pre-empt, meet and exceed consumer expectations for product quality, sustainability and supply chain ethics. Environmental and social disclosures, standards and policies of our major brand partners are summarised below:

Brand	UN Fashion Charter	UN Global Compact	ZDHC equivalent	CDP Climate	Water Advocacy	Animal Welfare Policies	Better Cotton	Human rights Policy
adidas	●	ND*	●	●	●	●	●	●
New Balance	●	ND*	●	●	●	●	●	●
NIKE, Inc.	●	●	●	●	●	●	●	●
The North Face (VF Corp)	●	●	●	●	●	●	●	●
Puma	●	●	●	●	●	●	●	●

* ND- not disclosed

High-quality materials help to create durable footwear and apparel products. Quality branded products represent the more sustainable side of the fashion sector. Product life-cycle is extended by re-use, re-sale and donation. Branded goods retain their financial or implied value for a longer period than non-branded goods.
ESG Management Committee representatives and contributors undertake regular engagement sessions with our largest third-party brand partners, monitoring their progress towards their respective climate targets and communicating our own progress.

ESG

ENVIRONMENTAL

TCFD

Index of TCFD recommended disclosures

1. Governance	**Pages**
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b) Describe the management's role in assessing and managing climate-related risks and opportunities	59
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c) Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets	65

UK Listing Rule 6.6.6R Compliance Statement
The Group has complied with all of the requirements of UKLR 6.6.6R by including climate-related financial disclosures in this section (and additional information, as referenced within) consistent with the TCFD recommendations.

Disclosures and Standards
The Group's TCFD response features supplementary information references to TCFD aligned disclosures and standards including the following:

- Carbon Disclosure Project, recognised by TCFD as supporting TCFD recommendations via over 25 aligned climate-related questions on topics including governance, risks and opportunities, strategy, targets and emissions.
- Science Based Targets (SBT) initiative. The Group's approved emissions reduction targets are referenced. These targets are validated by the Science Based Targets initiative, which is also aligned to TCFD principles.

ESG – Environment continued

TCFD 1:

1. Governance

Disclose the organisation's governance around climate-related risks and opportunities

a) Describe the Board's oversight of climate-related risks and opportunities

Climate change is identified as several climate-related principal risks to the business and is incorporated into the Group's ESG risk management processes.

The Group's priority climate-related risks are listed within the Principal Risks section.

The ESG Committee holds overall responsibility for communicating risk management oversight relating to climate. The ESG Committee also reviews metric performance multiple times per year.

The Board retains oversight of key risks and opportunities within monthly meetings and via the monthly climate update, including Science Based Target progress and Net Zero pathway.

The Board comprises of the Group Chair, CEO, CFO and Non-Executive Directors ('NEDs'). NEDs have received ESG Committee briefings on Climate Strategy and progress of Scope 1, 2 and 3 emissions reduction targets vs. the Group's published Science Based Targets.

Implementation of climate-related targets is included within the Executive and Leadership teams' remuneration.

Capital expenditure budgets are approved for climate-related investments including voltage optimisation, LEDs and building energy management systems.

Emerging regulatory requirements — ESG Committee and the Board are briefed on the impact and implementation of the Corporate Sustainability Reporting Directive ('CSRD'), via Board reports.

The Group has commenced preparation for the CSRD and we are in the process of analysing the level of disclosure required under the new European Sustainability Reporting Standards ('ESRS'). Our double materiality assessment ('DMA') has been completed. We have assessed the structure required and specialist areas identified for resource.

The ESG Committee established in 2023, is chaired by an Independent Non-Executive Director with Terms of Reference in place. Executive members are incentivised by specific ESG metrics within their Long-Term Incentive Plan.

Governance Structure and Responsibilities

Group Board

- Having regard (amongst other matters) to the impact of the Company's operations on the community and the environment
- Approval of, and making a material amendment or variation to the Group's key policies, including but not limited to, the Code of Practice matters
- Ensuring risk is managed and mitigated effectively by the Audit & Risk Committee

ESG Committee

- Ensuring that our Management Committee activities support the People, Partners and Communities strategic pillar
- Overseeing delivery of critical ESG performance metrics
- Reviewing existing policy commitments and (as required) recommending new policy implementation

Remuneration Committee

- Recommendations on the strategic rationale for Executive Directors' remuneration policies, structures and any performance metrics
- To have regard to environmental, social and governance issues (in particular the guidelines published by the Investment Association) which the Remuneration Committee considers relevant or appropriate when considering corporate performance and remuneration.
- To work and liaise with the Audit Committee as appropriate to report, manage and oversee risks in relation to remuneration strategy and approach

Audit & Risk Committee

- Give due consideration to the Group's global environment and climate risk mitigation strategy, including reviewing the reporting processes and relevant targets
- Monitoring the effectiveness of internal control and risk management systems and where applicable, internal audit, about procedures relating to sustainability information
- Monitoring the sustainability reporting processes and submitting recommendations or proposals to ensure their integrity
- To oversee assurance activities

ESG Management Committee

- Assessing and managing Group ESG strategy, including short to long term climate risk scenario planning
- Ensuring that our ESG strategy aligns with the United Nations
- UN SDGs relevant to our People, Partners and Communities
- Delivery of critical ESG performance metrics

ESG In Action

Environmental, social and governance matters are important to all of us. It is our responsibility to ensure that as a business we limit our negative impacts on the planet and those that live in it.

Commitments

The Group is committed to ensuring that we achieve our global targets whilst evidencing transparency in our ambition to the 1.5°C pathway.

Engagement

It is important to engage external parties and internal stakeholders on key initiatives and projects to achieve the Group's goals.

Communication

Ensure a consistent and clear reporting process is maintained, to provide a high level of transparency across the Group and to all stakeholders.

Industry benchmarking

Monitor our performance in line with that of our sector peers and major brand partners.

Focus on improvement and continually moving forward.

b) Describe management's role in assessing and managing climate-related risks and opportunities

The Group's ESG Management Committee reports to the Board led ESG Committee. The ESG Management Committee is chaired by the Group Procurement and Sustainability Director. The ESG Management Committee representatives are the Chief People Officer, Head of Sustainability and Ethics, General Counsel and Company Secretary (Global), General Counsel (North America), Head of Own Brand and Director of Investor Relations.

The role of the ESG Management Committee includes responsibility for the assessment, management and communication of climate-related risks and opportunities, regulatory requirements and environment-related investment opportunities to colleagues, customers and investors. See the pictorial representation on page 58.

Operational teams managed by ESG Management Committee members are responsible for climate-related engagement with major suppliers (both brand partners and private label suppliers), on a scheduled basis. The ESG Management Committee reports relevant findings to the ESG Committee and to the wider Board via the monthly CFO report.

Executive members are incentivised by ESG metrics within their Long-Term Incentive Plan. The ESG Management Committee completes assessments of climate-related risks and opportunities via scheduled reviews.

The ESG Management Committee members contribute to the key industry climate body initiatives (WRAP Textiles 2030) as a Steering Committee member, actions undertaken supporting climate-related risk management continue the implementation of carbon and water reduction targets for the Group supply chain.

Engagement of strategic suppliers (major brand partners and private label) continued on a scheduled basis, focusing on carbon emissions reduction, biodiversity, circular economy initiatives and changes to regulatory compliance.

The Group monitors ESG 'Key Risk Indicators' reporting to the Audit & Risk Committee ('ARC'). The ESG Committee identifies risks associated with ESG across the business. Current mitigation is documented with an action plan for mitigation, monitored and updated by the relevant stakeholder.

Rankings
We have achieved the following external benchmarks:

CDP:
A LIST

CDP A List 2024

MSCI:
AA RATED

ESG – Environment continued

TCFD 2:

2. Strategy

Disclose the actual and potential impacts of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning where such information is material

a) Describe the climate-related risks and opportunities the organisation has identified over the short, medium and long term

The Group has documented climate-related risks across different time horizons, including short-term (1 - 2 years), medium-term (3 - 8 years) and long-term (8 - 20 years). Climate-related risks are included within our Principal Risk section.

Short-term risks and opportunities are set on business activities over which we have direct operational control[1] – setting emissions reduction targets and providing climate-related disclosures to assess Group performance against both sector peers and major brand partners.

Short-term climate opportunities include infrastructure investment for owned (or long-term leased) facilities, Distribution Centres and offices. This would support in improving overall carbon efficiencies.

The Group continues to pursue medium-term opportunities presented by circular economy initiatives – cost efficiencies of asset re-use, and pre-emptive actions relating to packaging and end-of-life stock, with focus on recycled options, re-use and reductions (see page 69).

Circular economy opportunities reduce the Group's exposure to future taxation, whilst generating potential revenue and margin increases.

Long-term risks and opportunities incorporate strategic planning undertaken with brand partners (including Nike, adidas and Puma).

The Group assesses the financial risk of future energy costs and the availability of renewable energy in key third-party and private label sourcing territories. Such planning is essential to achieve our Net Zero emissions pathway year of 2043.

Transition and adaptation risks include enhanced emissions reporting obligations (major brand partners), increased taxation, climate adaptation measures and impacts, future regulatory reporting requirements and physical supply chain disruption risks linked to raw material supplies and costs.

Several climate-related principal risks are scored within the 2024 CDP report, which requires disclosure on our risks and opportunities:

- Achieved 'A List' award for Climate Change in February 2025.
- 'Water Security' grade 'B' for the period, surpassing our sector average by two grades.

.

b) Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy and financial planning risks and opportunities

Strategic planning undertaken by the ESG Committee considers that the Group's direct operations are not exposed to substantive risk (defined as being greater than £50 million of profit before tax and adjusting items, against plan) relating to climate risks, including physical risks from the changing climate.

The vast majority of our assets (retail stores) are short-term leases (3 to 5 years), with a low volume of stores in areas exposed to short-term physical climate risks. The Group view is that current and emerging legislation represents a greater transition risk, primarily owing to potential regulation (including tax) increases at product level.

Climate-related risks have a direct (but not substantive) cost impact associated with achieving future compliance and meeting committed targets and forecast pathway objectives.

In addition to capital expenditure, investment is required to support administrative, capital initiatives and compliance with energy building regulations (e.g. energy efficiency and asset replacement). These 'direct costs' are incorporated into our standard financial planning assessments.

Medium-term financial planning risk associated with the circular economy (via potential taxation increases and regulatory change) is mitigated by increased investment in 'circularity' via both investment in our core UK Distribution Centre and resources to extend the life of legacy 'non-saleable' products and store fixtures and fittings. The Group continually reviews the emerging Extended Producer Responsibility ('EPR') regulations across our territories, to ensure compliance and apply impact assessment measures.

Engagement with the British Retail Consortium ('BRC'), DEFRA and ReFashion continues to ensure that the Group is well placed to mitigate risks and maximise opportunities relating to EPR regulations.

The Procurement team continues engagement with landlords on feasibility and implementation of solar projects on leased sites, supporting our carbon reduction targets.

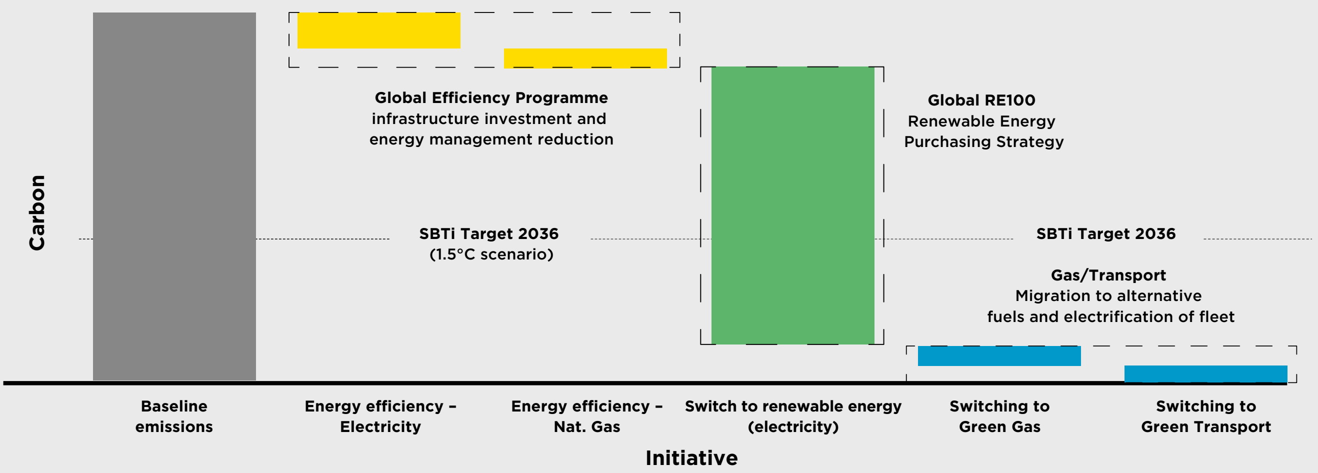
Impact of Climate-related Risk Assessment

Continued capital investment in energy reduction assets, including solar technology, building energy management systems, LED, voltage optimisation and an Electric Vehicle ('EV') salary sacrifice scheme has resulted in increased engagement with colleagues.

The Group continues its use of carbon pricing of renewable investment projects using Carbon Capture and Storage ('CCS') £41 per tCO_2e market price metric. A weighting uplift for certain procurement sourcing projects is also utilised ranging from 0 to 3% of costs submitted.

1 Direct operational control, or operationally controlled sites, are defined as facilities, operations or locations for which the Group Management team is able to make changes or decisions to supply and services without breaching existing contracts or requiring landlord consent.

Scope 1 and 2 Carbon Reduction Pathway
Taking the baseline of our carbon emissions, the carbon reduction roadmap sets out how we forecast to achieve net zero by 2043



c) Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario

In support of TCFD requirement 2c, the Group's modelled impacts refer to transition risks and are quoted based on a 1.5°C pathway aligned to the Paris Ambition and the Group's stated targets (including Science Based Targets), and a 3°C pathway aligned to the current warming pathway.

The Group continues to prioritise the financial impact of strategic climate-related risks within our regular financial planning activities, but acknowledges the largely assumption-based nature of climate-related modelling that exists within our sector.

Owing to a lack of standardised financial assessments of climate risk by our key brands (and in corresponding sourcing territories), we have quoted the financial value at risk as being below our substantive risk level, which is set at above £50 million of Profit Before Tax and Adjusting Items (against plan).

The climate scenario analysis uses the following time horizons:

Horizon	Duration
Short-term	**1 - 2 years**
Short-term is used to reflect both foreseeable regulatory requirements. Risks and opportunities categorised as medium or long-term are not applicable to the short-term time horizon, unless otherwise stated within this section.	
Medium-term	**3 - 8 years**
Medium-term category risk time horizons incorporate the average lease durations of our physical retail stores (and related climate impacts).	
Long-term	**8 - 20 years**
Long-term time horizons apply to our very limited number of long-term leases, and also to factors that cannot yet be fully financially modelled owing to changing risk parameters. These include potential changes in the manufacturing locations of products.	

Long-term time horizons apply to our very limited number of long-term leases, and also to factors that cannot yet be fully financially modelled owing to changing risk parameters. These include potential changes in the manufacturing locations of products.

The risks related to Climate Strategy and Disclosures and the Group's mitigating activities are disclosed within the Principal Risks section of this Annual Report on page 51.

The Group has approved Science Based Targets based upon the 1.5°C scenario. Examples of 1.5°C scenario impacts are regulatory changes (e.g. 'carbon tax' on imports from sourcing territories using non-renewable energy). Forecast impacts include increases in taxation for both third-party and private label products.

The Group used the more ambitious 1.5°C scenario for its Science Based Targets, demonstrating the breadth of our climate risk assessment. We have completed climate scenario analysis in mid-2023, which includes 1.5°C to 2.0°C and 3.0°C scenarios.

The Group strategy has considered the 1.5°C to 2.0°C and 3.0°C scenarios, including the transition to a low-carbon economy consistent with a 2.0°C or lower scenario.

The Group considers that its climate strategy is resilient to climate-related risks and opportunities, including physical climate related risks. Accordingly, the Group strategy remains approved/unchanged based upon the low level of risk identified during the period.

Following the Group's re-baselining of its SBT, which is planned for completion in FY26, we plan to complete a detailed review of our scenario analysis in 2026, within the recommended three year timeframe. This will allow the Group to reassess physical and climate-related risks at the end of the current short-term time parameter (1 - 2 years) and reassess risks and opportunities accordingly.

The climate-related risks (including physical risks) are not expected to materially differ within the sourcing territories used by the Group, owing to relatively common supply chain conditions within low-cost sourcing locations. Accordingly, no further disaggregation of risks has been disclosed.

Climate-related scenario	Temperature alignment of scenario	Parameters, assumptions, analytical choices
Scenario 1	1.5°C–2.0°C	Parameters of the climate scenario are based around RCP2.6. Analytical choices – time horizons chosen were short-term (1 - 2 years), medium-term (3 - 8 years), long-term (8 - 20 years).
Scenario 2	> 3.0°C	Parameters of the climate scenario are based around RCP 6 3.0°C–3.5°C. Analytical choices – time horizons chosen were short-term (1 - 2 years), medium-term (3 - 8 years), long-term (8 - 20 years).

ESG – Environment continued

Climate scenario high-level analysis

Key			
Key	● Short-term	● Medium-term	● Long-term

Risk Category	Risk and Time Parameter	Impact	Mitigation/ Business Response
Physical	**Raw material availability and price**	Increased severity of extreme weather events is likely to affect the natural feedstocks, such as cotton and natural rubber which are used in products sold. Price and availability of raw materials, e.g. cotton, impacted by extreme weather. This would affect in-season delivery of product into our business. **Unmitigated annual impact level:** Below £50 million substantive threshold.	**Financial mitigation:** Pass the increased costs to the consumer, as per likely sector-wide approach. Major brands may choose to relocate key sourcing territories for raw material sourcing and manufacture. Several brands report mapping sites in Asia susceptible to physical climate change threats. Major brands develop climate action plans to mitigate climate change, which include the monitoring of extreme weather events. **Conclusion:** Appropriate mitigation.
Physical	**Insurance**	Potential increases in insurance premiums with climate change impacts and risk factors with the rise of carbon reduction technology. Rain, storms, fire and floods can all impact our sites' operations. **Unmitigated annual impact level:** Below £50 million substantive threshold.	**Financial mitigation:** Continue with shorter-term leases, enable site location changes as required. Pro-active engagement with our insurance surveyors and brokers, to ensure site selection are not in 'no-go' areas for insurance coverage. **Conclusion:** Appropriate mitigation.
Physical	**Increase in precipitation patterns, water scarcity and extreme variability in weather patterns**	Climate change will increasingly impact access to freshwater in certain regions, with consequences on production. If sea levels rise, it will have an impact on ports and other coastal infrastructure in the long term. Many aspects of the global supply chain could be affected, which would likely culminate in significant financial impact to producers and distributors. **Unmitigated annual impact level:** Below £50 million substantive threshold.	**Financial mitigation:** Major brands may choose to relocate key sourcing territories for raw material sourcing and manufacture. Work closely with suppliers to review alternative options for supply and logistics. Collaborate with private label manufacturing supply chain on water conservation and re-use in production. Pass the increased costs to the consumer, as per likely sector-wide approach. **Conclusion:** Appropriate mitigation
Transition	**Policy risk**	Increased future carbon pricing via various country carbon pricing mechanisms (fossil fuel taxes). Potential increased costs of raw materials via our suppliers. Proposed levy (France) on 'fast fashion' products sold of up to €10 per individual item of clothing by 2030. **Unmitigated annual impact level:** Below £50 million substantive threshold.	**Financial mitigation:** Our supply chain forms the largest part of our Scope 3 emissions. Carbon pricing will encourage investment and innovation in clean technology to decarbonise these operations across developed countries. Transition to green energy supply and reducing our energy emissions as per our carbon reduction roadmap (Scope 1 and 2 emissions). Proposed regulations are currently unclear as to 'fast fashion' definition. However, if applicable to the Group, our plan (post-sourcing mitigation attempts) would be to pass any potential remaining costs to the customer via unit price increases. **Conclusion:** Appropriate mitigation.
Transition	**Enhanced non-financial/ emissions reporting and disclosure obligations**	Enhanced reporting obligations for Group includes: the CSRD, European reporting disclosure requirement. Extended Producer Responsibility ('EPR') schemes (existing and future) within Europe require enhanced disclosures. This requires investment in people and services. Currently it is not possible obtain relief from certain schemes, evidential documentation required is not certified at style level. This results in additional taxation costs. **Unmitigated annual impact level:** Below £50 million substantive threshold.	**Financial mitigation:** Appropriate resource planning by JD Group Sustainability team which requires investment in people, systems and professional services. JD Group continues engagement with regulators to mitigate private label EPR costs. The Group liaise with external partners on their certification constraints, restricting compliance with product sustainability content at brand level. **Conclusion:** Appropriate mitigation.
Transition	**Transition to low-carbon production/ low-emission technology**	Increased technology costs to support the transition to a low-carbon economy and meet net zero targets such as increased energy efficiency, improvement in energy consumption monitoring, energy generation and product demand forecasting. **Unmitigated annual impact level:** Below £50 million substantive threshold.	**Financial mitigation:** Work closely with brands and leading industry bodies to reduce risk of system or technology obsolescence and higher costs. Advocate the transition to renewable energy sources with our key brand partners and private label supply chains. **Conclusion:** Appropriate mitigation.
Transition	**Increased energy, water and carbon costs**	Demand for energy is likely to increase, alongside increases in prices for energy and water in certain regions. This may impact production and logistics costs. **Unmitigated annual impact level:** Below £50 million substantive threshold.	Implement carbon reduction programmes to reduce demand on energy and water usage. Understand the low-carbon efficiency operations in the manufacturing supply chain to effect reductions. **Conclusion:** Appropriate mitigation.

TCFD 3:

3. Risk Management

Describe how the organisation identifies, assesses and manages climate-related risks

Risk identified

Embed compliance model (own operations)

Identify potential future developments

Assess supply chain (external) exposure

Engage suppliers and independent topic experts

Verification of financial risk

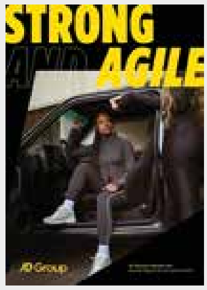
Present risks to Audit & Risk Committee and, where relevant, share with ESG Committee

Feedback from ESG Committee and/or Board

– Short-term
– Medium-term
– Long-term

Impact and mitigation strategy agreed

Risk included in the Annual Report



ESG risk identification – sources:

Formal
- International non-governmental organisations (e.g. United Nations)
- Global inter-governmental organisations
- National Government notifications
- Financial Conduct Authority updates
- Third-party benchmarks e.g. CDP
- Global, issue-based initiatives e.g. RE100
- Non-financial disclosure frameworks e.g. CSRD
- Recommendations from audit disclosure
- Independent governance shareholder advisory
- Institutional shareholder services

Informal
- Media coverage
- Major brand engagement
- Customer feedback
- Industry forum feedback e.g. British Retail Consortium, Retail Energy Forum
- Supplier engagement
- Independent market reports

a) Describe the organisation's processes for identifying and assessing climate-related risks

The Group Energy and Environment team takes a 'bottom-up' approach to identifying climate risks (both regulatory and physical). Examples of climate risk analysis measures include the performance of scenario analysis at Group level, based on our current key sourcing locations.

Annual performance objectives include climate risk monitoring and reporting to the ESG Management Committee. Monthly Board reports include assessment of climate risks, likelihood and impact, and facilitate early Board awareness of changing climate conditions and corresponding risks and opportunities.

Tangible financial impacts include reduced profit owing to increased taxation, legislative penalties or loss of revenue associated with changing consumer preferences. Identified high impact climate-related risks are escalated to the ESG Committee.

Climate-related risks include direct engagement with our private label supply chain through risk assessment analysis and environmental analysis.

Major brand risk exposure (to physical climate risks of flooding, extreme weather conditions, etc.) assessed as 'low' in the short term, due to established brand mitigation strategies and measures.

Group submissions, within established disclosure reporting frameworks relating to Climate Change, Water Security and Forestry within the CDP reporting framework, contain extensive detail on climate-related risk identification and assessment. This provides insights into risks and opportunities for the Group.

b) Describe the organisation's processes for managing climate-related risks

A summary of our climate-related risk management process is provided above.

Climate-related risks contributing to Principal Risks are identified and reported by the ESG Management Committee and incorporated into business planning processes.

For validated non-financial risks (e.g. minor reputational impacts) we develop a strategy to comply, manage or mitigate the risk(s). The ESG Management Committee is notified as appropriate, with high-level risks included in monthly Board reports and notified to the ESG Committee.

ESG – Environment continued

For high-level risks, the relevant ESG Management Committee team member engages stakeholders facing the greatest risk impact.

Periodic updates on the status of climate-related risks under management are provided via monthly ESG updates within Board reports.

The Group continued to manage physical climate-related risks based on sourcing territories and factory locations. Supplier climate-change performance and preparation were assessed via our Environmental Management Programme ('EMP'). Assessment of supply chain risk provides the Group with adequate time to identify and assess alternative, lower-risk sourcing locations.

c) Describe how processes for identifying, assessing and managing climate-related risks are integrated into the organisation's overall risk management

Substantive impact risks are addressed within our scheduled budgeting and re-forecasting processes. Any subsequent risks identified (and their respective impact) are assessed from the context of legal compliance, financial impact and reputational risk.

The diagram on page 63 sets out our risk identification and management process.

The Group engaged JD and The Outdoor Group private label supply chains to identify additional climate-related risks and measure mitigatory risk and opportunity at sourcing territory level, through our 'EMP'. An example would be manufacturing sites transitioning to renewable energy and adopting water stewardship policies.

JD and The Outdoor Group wet processing sites (private label manufacturing) were assessed and graded against climate-related risks. 45% of wet processing sites use one or more green energy sources. 54% of dye houses evaluated are graded at 'Good' and 'Leadership' levels. Further details can be found on our corporate website.

Extension of our EMP and risk management strategy, which was formulated in 2020, has been extended to include the assessment of the Group's international businesses.

The Sustainability team continues to expand private label environmental audits and grading beyond Tier 1, to include mills (Tier 2). Mills are, by their nature, more energy intensive. This enables the Group to understand risks and the transition to sustainable practices, including renewables, throughout the manufacturing process.

TCFD 4:

4. Metrics and Targets

Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities, where such information is material

a) Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process

The metrics used to assess progress vs. our targets is the Group's total emissions reduction for Scope 1 and 2 (market based emissions) and renewable energy use.

Renewable energy progress (Scope 2 market based emissions) is submitted within our Annual Report, to our Board, and to the RE100 initiative. For UK and Europe, 100% of our energy used at direct operationally controlled sites is renewable energy. In the last period, the Group expanded use of renewable energy to include both MIG Group and our stores in the United States.

The Group continued its use of carbon pricing with the adoption of the Carbon Capture and Storage ('CCS') currently set at £41[1] per tCO_2e market price metric into new investment projects enabling improved risk and realising opportunities.

JD recognises the importance of reducing land-related emissions to the newly required FLAG emissions accounting requirements. The Group is undertaking an assessment of FLAG emissions to establish if a target is required.

b) Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 Greenhouse Gas ('GHG') emissions, and the related risks

The Group has disclosed GHG emissions data since 2014. Scope 3 disclosures have been provided since 2020 and are disclosed annually in our CDP submission.

Streamlined Energy and Carbon Reporting ('SECR') compliant as per regulatory requirements.

The Group reports emissions figures for Scope 1 and 2, according to the GHG Protocol Corporate Standard using emissions factors from the UK and other territories, published Government conversion factor guidance. The GHG efficiency ratio used by the Group is based on Market based emissions with a metric of $kgCO_2e$ per sqm (across all our property types).

A Group Scope 3 emissions breakdown is disclosed on page 66, with references made to the Group's reliance on major third-party brands to achieve its Scope 3 emissions reduction targets.

Third-party verification of Scope 1, 2 and 3 emissions for our last financial year, incorporating calculation of data and compliant to ISO 14064-3 reporting standards, was completed by Lucideon CICS.

To address the significant acquisitions, divestments and changes in emissions calculation methodology, the Group has commenced its re-baselining activity for the Group base year emissions, realigning the emissions baseline to be more representative of the current portfolio of companies and calculation methodology used. Once the target modelling is completed, SBT re-submission is planned for this year.

1 as of November 2024.

c) Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets

Targets:
1) Measured via SBTi targets using a 2019/20 base year to:

- reduce absolute Scope 1 and 2 GHG (market based) emissions by 67.2% by 2035/36
- reduce absolute Scope 3 GHG emissions from 'purchased goods and services' by 67.2% by 2035/36

2) Demonstrate increased renewable energy usage (to contribute to emissions reduction targets).

Measured via RE100 renewable target of 100% of renewable energy sourced for UK and Western Europe by 2023, and 100% global usage by 2025[1]

3) Demonstrate benchmark environmental performance vs. sector.

Measured via the CDP Climate Change rating, with documented Executive bonus criteria score of at least 'B'.

This table summarises our key metrics and targets for the completed financial year.

Given our growth relating to acquisitions, our baseline will be recalculated in 2025 as it no longer reflects our current position. The implementation of our Climate Reporting System ('CRS') has redefined our methodology relating to scope 3 measurement. This will enable the Group to track progress against our Scope 3 target with improved accuracy which cannot be currently done on a like for like basis.

Metrics and Targets

Target	Deadline	Position as of Feb 2025	Measure	Principal Risk Supported
SBTi | Scope 1 and 2 market based emissions reduction by 67.2%	**2036**	Cumulative 38% reduction in emissions (2024: Cumulative 36% reduction) On track against target and net zero by 2043	LFL[2] basis vs. 2019 baseline year	Climate Strategy and Disclosures and Targets – Financial
RE100 Pledge	**2025**	100% in Europe, (2024: 100% renewable use) 94% globally (2024: 69% globally) Expansion of green energy outside of Europe	Renewable electricity for operationally controlled sites	Climate Strategy and Disclosures and Targets – Financial
CDP score vs. sector	**Annual**	'A' grade for Climate Change (2 grades above sector performance) 'B' grade for Water Security (2 grades above sector performance)	Our grade vs. sector average To achieve rating of at least B for Climate Change ('CDP') in the final financial year of the performance period	Climate Strategy and Disclosures and Targets – Reputational
Better Cotton: to reach 98% conversion	**2026**	99% (equates to 3,873 tonnes)	Percentage Better Cotton measure	Climate Strategy and Disclosures and Targets – Reputational

1 2025 relates to JD Financial year Feb 25 to Jan 26.
2 The LFL calculation is based on the total Scope 1 and 2 market based emissions, based on the existing group as at FY2021, this represents 78.6% of group revenue and excludes the following recent acquisitions, territories and DC sites post FY2021: Shoe Palace, DTLR, Villa, MIG, Hibbett, Courir, Cyprus, Greece, Indonesia, Israel, New Zealand, Derby DC and Heerlen DC

ESG – Environment continued

ESG in Action

Carbon reduction

A LIST
CDP

310 TONNES
carbon saving through our LED conversion programme

94%
worldwide renewable energy

Sustainability engagement

AA RATED
MSCI

21,000+
sustainability trained colleagues

GRADE B
CDP Water Security

Resource management

RETAINED
zero waste to landfill

603 TONNES
of totes and hangers recycled

99.2%
landfill diversion

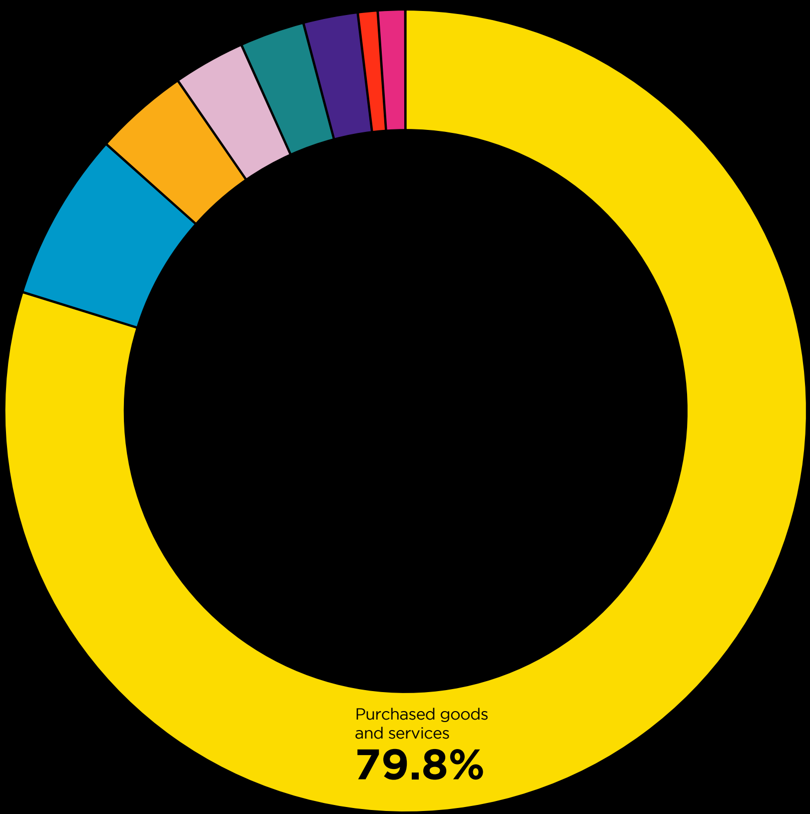
Reducing environmental impact

167 TREES
saved via store paper reductions

6.6 TONNES
reduced e-commerce packaging

75% FSC
conversion of cardboard packaging

Scope 3 Emissions Summary



As shown in the analysis, over 79% of our Scope 3 emissions comes from the Purchased goods and services category

Purchased goods and services	79.8%
Upstream transportation and distribution	6.8%
Employee commuting	3.8%
Capital goods	2.9%
Downstream transportation and distribution	2.6%
End-of-life treatment of sold products	2.2%
Business travel	0.8%
Other scope categories	1.1%

Greenhouse Gas Emissions

Environmental – Greenhouse Gas Emissions Data

The Group's management of carbon emissions is split in the following categories:

1) Scope 1 and Scope 2 – which covers instances where the Group has 'directly controlled' operations within our infrastructure (e.g. our warehouse and in-store energy usage). GHG emissions are as defined by the GHG Protocol. Scope 1 emissions are direct emissions from owned or controlled sources. Scope 2 emissions are indirect emissions from the generation of purchased energy.
2) Scope 3 – which covers the operations and activities of our supply chain, including manufacture of products, our non-merchandise suppliers, transportation and distribution of sold goods, business travel and end of life of sold product.

Key Inventory Insights:

- Purchased goods and services (79.8%) are our largest Scope 3 contributor, followed by upstream and downstream transport & distribution (c.9%).
- We continue to monitor and encourage emissions reduction progress from our strategic suppliers.
- The highest level of emissions reductions need to be achieved at the raw material and manufacturing stages for our branded products.
- Emissions data is constantly adjusting due to both changes in Group activity and changes to calculation methodologies.

Inventory Boundaries:

- Reporting boundaries for 2024/25 (aggregated facilities under operational control) include the UK, Australia, Austria, Belgium, Bosnia & Herzegovina, Bulgaria, Canada, Croatia, Cyprus, Czech Republic, Denmark, , Finland, France, Germany, Greece, Hungary, Indonesia, Italy, Latvia, Lithuania, Malaysia, New Zealand, Poland, Portugal, The Netherlands, The Republic of Ireland, Romania, Serbia, Singapore, Slovakia, Slovenia, Spain, Sweden, Thailand and the US.
- The Group divested SWIM in the last financial year, during the same period the Group acquired Hibbett and Courir, this data will be reported in next year's Annual Report.

GHG Accounting Methodology:

- In the 2024/25 reporting period, JD Sports updated its GHG accounting methodology by transitioning to the use of a climate reporting system.
- This transition has improved the calculation methodology in particular for the biggest emission sources such as purchased goods & services, by utilising supplier specific emission factors ('EFs') for the main GFR brands purchased by the Group. The supplier specific EFs follow the GHG Protocol guidelines by taking the suppliers total Scopes 1, Scope 2, and upstream Scope 3 emissions and dividing this by total company revenue.
- The methodological changes and improvements in the calculation, resulted in a 44% decrease in Scope 3. This decrease arises from more accurate emission scope 3 profiling.
- The reported emissions correspond with our financial period, reflecting emissions from leased and controlled assets for which the Group is responsible.
- In accordance with GHG dual reporting protocol, we disclosed both market and location-based emissions for purchased electricity in 2023/24 and 2024/25.
- The inventory excludes emissions from 'use of sold product' an optional category for GHG accounting that was not included in the Group's Scope 3 boundary for its SBT initiative submission.
- Fugitive emissions are not included in the above due to their de-minimis category status, but are reassessed every 5 years.

3rd Party Verification:

- 2024/25 figures (below) have been updated to reflect the versions used within the Group's 2024 disclosure submissions. Lucideon CICS performed verification to ISO 14064-3 reporting standards.
- Whilst not a mandatory disclosure, the Group remains committed to presenting data appertaining to energy usage and carbon footprint.
- Sales-related increases in consumption do not reflect the Group's verifiable success in reducing energy use on a like-for-like basis.

Within the UK and the Republic of Ireland, the equivalent 2023/24 energy usage was: Electricity 101,160,900 kWh, 19,514,107kWh Natural Gas and 120,675,007 kWh Total energy use.

As required under UK SECR legislation, the Group applies an intensity factor to GHG emissions expressed in $kgCO_2e$ per sqm. To evidence progress in decarbonising operations, we use Market based emissions $kgCO_2e$ per sqm as our intensity metric.

- The location based approach does not account for the emissions reductions due to renewable electricity usage. Comparative Market based emissions $kgCO_2e$ per sqm for 2023/24 were 3.8 (UK and ROI), 51.8 (International) and 30.8 (Total).
- Renewable energy split is calculated based on the total usage of renewable supply as a percentage of the total electricity for the region for directly controlled operations.
- Exclusions to renewable data presently includes Southern European acquisitions including Cosmos and sites where operational control is restricted (e.g. landlord-managed energy supplies).

KPI: Emissions by Source	2024/25 Tonnes CO2e Equivalent	2023/24 Tonnes CO2e Equivalent
Scope 1 (Purchased fuels)	10,043	7,746
Scope 2 (Electricity) Location based	79,803	70,450
Scope 2 (Electricity) Market based	31,157	44,139
Scope 3 (All emissions)	3,325,230	5,934,842

KPI: Emissions by Source	2024/25 (UK & ROI)[1]	2024/25 (International)	2024/25 (Total)
Energy Usage – Electricity (kWh)	99,138,380	207,671,541	306,809,921
Energy Usage – Natural Gas (kWh)	16,664,983	31,960,740	48,625,723
Total Energy Use (kWh)	115,803,363	239,632,281	355,435,644
Carbon Emissions Location based (tonnes CO_2e)	24,083	65,762	89,845
Carbon Emissions Market based (tonnes CO_2e)	5,916	35,283	41,199
Intensity metric: Market based emissions ($kgCO_2e/m^2$)	1.9	30.0	16.6

1 We consider UK & ROI to be materially aligned to UK and Off-shore.

ESG – Environment continued

Water Stewardship and Biodiversity

For our private label products, membership through the Better Cotton programme has led to more sustainable behaviours at farm-level, benefiting both farmers and local communities.

Better Cotton has produced verifiable statistics on water use reductions, and the removal of pesticides. This initiative is supported by our major third-party brands – see page 56.

Better Cotton Progress

In 2024 an estimated **105 million litres of water** were saved thanks to our sourcing of Better Cotton.

In 2024 there was a contribution to the decrease of **19.4% pesticide active ingredient** use in the last three seasons.

In 2024 BCI Farmers benefited from an estimate **158,843 EUR additional profit**[1] thanks to our sourcing of Better Cotton.

In 2024 there was a contribution to an estimated **avoidance of 4,988kg of synthetic nitrogen** by sourcing Better Cotton.

1 In 2024, JD Sports sourced 99% of our cotton as 'Better Cotton' under the Mass Balance chain of custody. JD Sports are committed to improving farming practices globally with Better Cotton.

Biodiversity

Biodiversity requires a sustainable sourcing strategy to ensure integration at all stages of the supply chain. JD Group actions to meet our objectives include the following:

- Working with suppliers to meet sustainability criteria or achieve third-party certifications or accreditations (e.g. FSC) for wood, paper and card.
- Working with global brands that promote water reductions. Adidas aims to reduce water intensity at its Tier 2 (dye production facilities) by 40% by the end of 2025, having already achieved 34.5% towards this goal
- Commenced our assessment on land related emissions to the newly required FLAG emissions accounting requirements.
- Promoting the restoration of local environments affected by forest fires and with important need of biodiversity recovery. Across Iberia (Spain and Portugal) in 2024 we have planted more than 3,000 trees in two areas affected by forest fires in 2021 and 2023. Offsetting, 652 tonnes of carbon footprint in 2024, and promoting local field work.

Product Manufacturing Private Label
Producing verifiably 'more sustainable' goods requires additional investment for each and every garment. Low-cost 'fast fashion' brands are recognised as high-risk owing not just to working practices but likely margin erosion in the event of taxation and regulatory changes on materials used in low-cost, short-lead time garments. To avoid such risks, the Group assesses material supply, demand and global market conditions at design stage. Key factors influencing sustainable product manufacture include material availability, affordability, aesthetics and performance.

The main fabrics used within private label products are typically cotton, polyester and nylon. The Group's private label teams regularly assess new variations on our main fabrics, seeking to utilise materials with improved sustainability credentials.

Alternative solutions such as recycled polyester, including wadding, reduce environmental impact, but we need to ensure it is without compromising product quality or performance.

Product developers and designers utilised the WRAP 'Materials and Processing' module objectives to improve sustainability at product design stage, reducing environmental impact via material and manufacturing choices.

100%

of products with a durable water repellent finish are now PFC free (perfluorinated compound), which is considered harmful to the environment and water supplies. This equated to **1,764,312 units** in 2024.

179t

Conversion of plastic transit bags from virgin material. To date, over **14.9 million** garment bags (equivalent to over 179 tonnes) across JD and The Outdoor Group have been manufactured from post-industrial waste, which is made from 100% recycled content, and are fully recyclable via domestic recycling.

47.8t

Substituting the virgin card and paper of the garment hang tags and barcodes to a fully recycled alternative equated to over **47.8 tonnes**.

The Outdoor Group started their transition in late 2024 and will progress this change through 2025.

1041t

JD and The Outdoor Group have converted **1041 tonnes** of virgin polyester to recycled where it is commercially viable and does not impact the durability of the product.

Product Governance
Governance – Zero Discharge of Hazardous Chemicals ('ZDHC')
The Group is predominantly a retailer of third-party brands. Over 5% of our products sold (by value) are from brand partners formally recognised as 'contributors' to the ZDHC initiative and corresponding standards.

The balance of our suppliers comply with alternative high standard assessments, such as the Apparel and Footwear International RSL Management Group ('AFIRM'). These measures reduce the use and impact of harmful substances within the apparel supply chain.

Hazardous Chemicals and Restricted Substances List ('RSL')
The Group operates a zero-tolerance policy on restricted substances to ensure that our products remain safe and do not contain hazardous or restricted substances. Our approach includes:

- ensuring that our private label testing matrix encompasses the most recent AFIRM RSL, and the latest legislative updates;
- mandating that Tier 1 suppliers (producers of finished goods) use our product testing matrix;
- providing additional support via our nominated third-party specialist (Intertek);
- verifying via our third-party testing specialist that our private label suppliers comply with our Chemical Management and Product Governance policies (including AFIRM); and
- undertake due diligence on products or substances of potential high concern via both seasonal due diligence audits, and random RSL sampling tests undertaken by a third-party.

Product Safety Testing
In addition to the measures above, additional product safety testing by Group suppliers is managed via:

- providing suppliers with online access to additional product safety standards and manuals;
- allowing private label suppliers to use our accredited, third-party portal for product testing requirements and submissions; and
- enhancing product testing via new testing methods, such as microfibre shedding testing for our most commonly used fabrics.

Product Safety Legislation Compliance
Our product and design development teams are committed to providing safe, compliant private label products that conform and perform to high standards via:

- undertaking training provided by third-party subject experts, supporting compliance with regulatory, legislative and scientific developments;
- identifying and removing potential product safety risks at design stage, allowing the Group to meet safety standards, including those specific to products sold for use by children;
- compliant sourcing with all product safety updates, including regional and global changes;
- using safe, high-quality and fit-for-purpose materials and products, such as APEO free adhesives; and
- commissioning training for new colleagues working in Product Development so as to ensure compliance with territory-specific legislation such as Proposition 65 (California).

ESG

SOCIAL

Modern Slavery

The Group recognises that human rights are fundamental principles allowing individuals to lead dignified and independent lives, free from abuse and violations.

The Group does not tolerate, nor condone, abuse of human rights within any part of our business or supply chain, and is committed to complying with the applicable laws and regulations in all of the territories in which we operate.

The Group commits to conducting itself with professionalism, honesty and integrity whilst working with our suppliers and third parties to ensure our high ethical standards are maintained.

Audit Compliance
Factories used by the Group are audited by accredited third-party specialist assessors.

Protection of workers within our supply chain is non-negotiable. The Group continues to adopt a zero-tolerance approach to critical issues identified by Group personnel or third-party auditors on Tier 1 sites.

New factories with critical issues will not be approved until the issues are evidenced as resolved. However, on occasion, issues we deem as critical may become evident over time.

86%

of Tier 1 suppliers under private label have in-date third party ethical audits

16,918

employees completed Modern Day Slavery Online Training[1]

[1] 1 Feb 2024 to 31 Jan 2025 (UK Head office and UK DC)

Identify Act Resolve program

We are committed to our programme "Identify" "Act" and "Resolve" which aims to implement and protect the rights of workers throughout our supply chain, in line with the principles of the International Labour Organization ('ILO').

Identify

It is important to understand and identify the problems and challenges. By analysing data and talking to stakeholders we can begin to understand the root cause of the non-compliances identified. This provides direct clarity for both the management and ourselves to be able to work together to find a solution. We work to identify trends and habitual patterns of behaviour, which can occur within country and culture. There are common non-compliances that may be a contributor to 'forced labour', without the management realising the chain of actions that may have unclear impacts and the effect on the end outcome.

An example of this would be excessive working hours including overtime, and the circumstances around this. By Grouping all instances of non-compliances into issue type categories and classifying them according to severity, we can better understand the challenge. Identifying physical working environment concerns, behavioural issues impacting or having a detrimental effect on workers, we can progress to the second stage to promote action.

Act

This stage involves developing and agreeing action plans with those who are responsible for the implementation, in a clear and manageable format. Collaboration is vital to continued success. Through continuous learning by stakeholders, this creates an environment of shared goals, peer learnings and best practice, whilst building better relationships resulting in improved behaviours. We agree a detailed plan for implementing actions. It is important to be clear and unambiguous, defining clear responsibilities and timelines, whilst understanding the resource required which may be financial.

Resolve

On agreeing the resolution, it is important to continuously monitor the implementation process to ensure it is progressing as planned. Be prepared to make adjustments if necessary, to address any previously unforeseen issues. After implementation, evaluation of the results is important to determine that the solution effectively resolved the problem. Taking these learnings may require adaptation in different countries where laws and root causes may differ.

Ethical Sourcing

Transparency of the supply chain is critical for the protection of our workers and enables us to build closer partnerships with our sourcing suppliers and embed our values. By maintaining transparency, we can identify and address potential risks in their supply chain, such as unethical labour practices or environmental violations, before they escalate into larger problems.

Establishing a core stable supply chain builds better economies of scale within our private label business and it is important to achieve full transparency and identify key trends.

Whilst our commercial contract is with the Tier 1 manufacturer of finished goods, we recognise the importance of engagement throughout the chain. Sustainable practices can make the supply chain more resilient to disruptions by reducing dependency on non-renewable resources and improving overall efficiency.

Carbon emissions in the supply chain

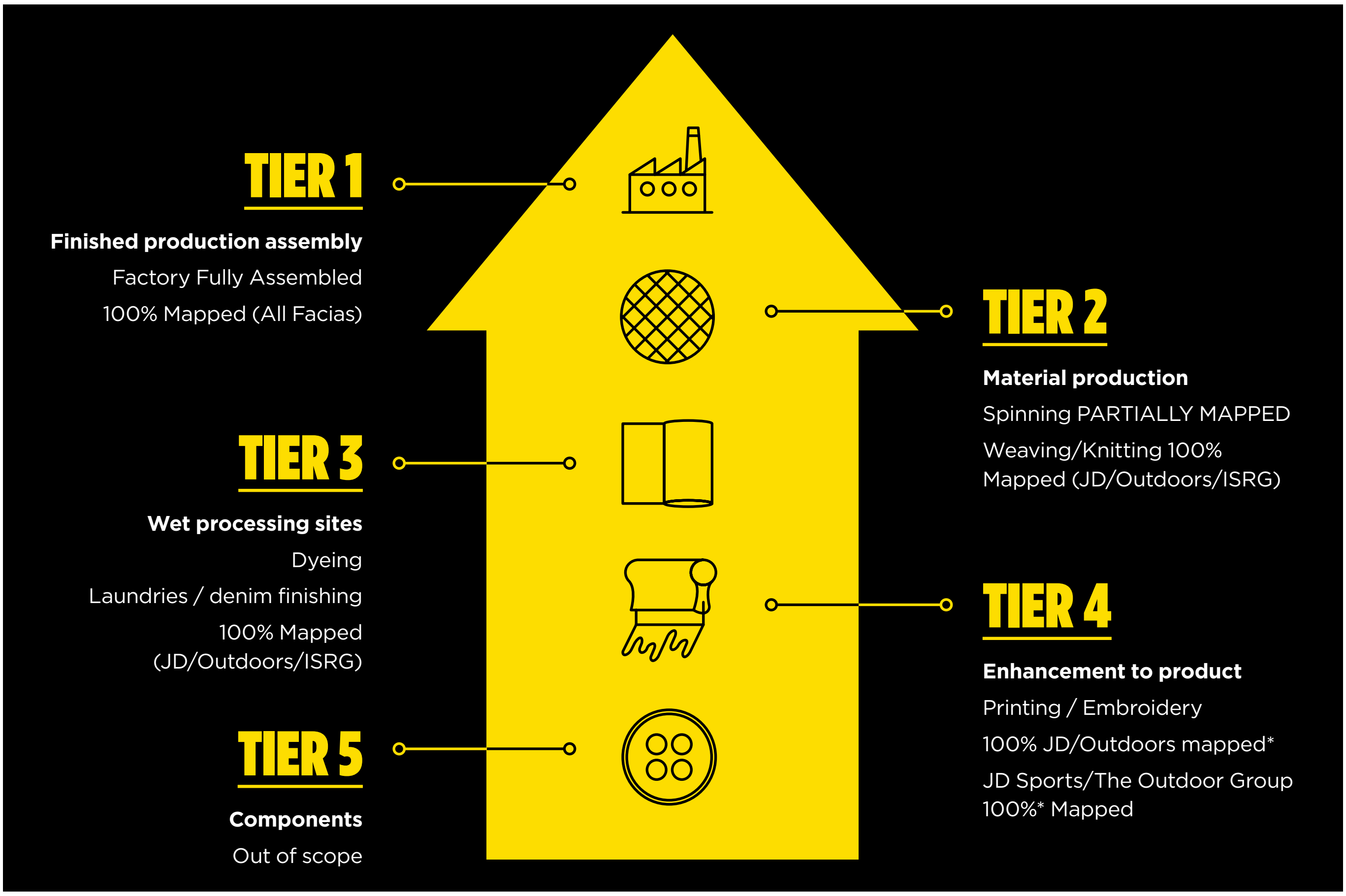
Within the fashion industry, the largest source of carbon emissions is the 'upstream' production, processing and garment manufacturing stages of the supply chain.

Through the consolidation of our manufacturing supply chain, the Group has been able to accelerate positive environmental change beyond Tier 1 supply chain partners, with each reduction in emissions and water usage benefiting local communities and ecosystems.

Illustrative activities for apparel and footwear tiers

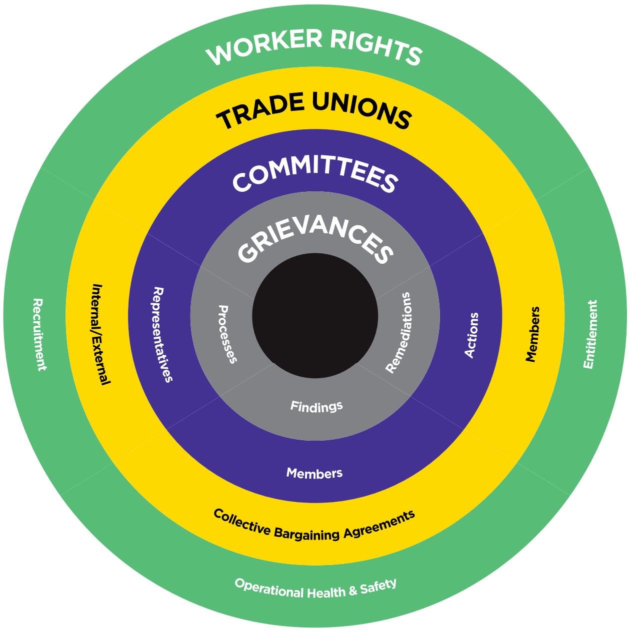
The Group have completed the mapping of our supply chain to our 4th Tier manufacturing base on private label, identifying our manufacturing base across the globe.

This strategy requires continual engagement with our partners, as manufacturing chains beyond first tier will often be those that change due to demand and capacity.



ESG – Social continued

Freedom of Association Programme



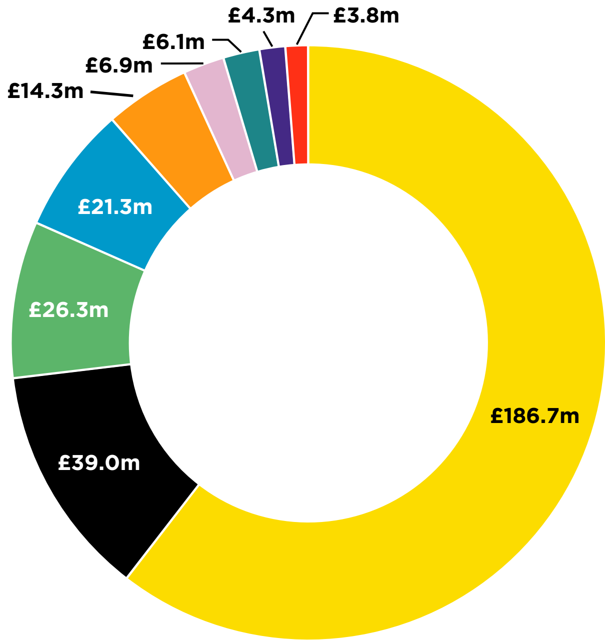
Recognising the importance of freedom of association and collective bargaining within our supply chains is important but it is complicated within countries.

Workers in many sourcing countries face obstacles relating to participation in social dialogue.

By grouping countries based on restrictive laws and practices, we can better understand how we progress within this complex area. For example, while China does permit independent trade unions, these unions are constrained by the All China Federation of Trade Unions ('ACFTU'), making it a challenging climate for workers to exercise their rights.

In 2024, we began to establish current processes in all our Group factories. From this analysis, using the grouping methodology, we will understand the barriers and limitations, with a view to raising awareness of the value of giving workers a voice. This will be a long-term project, with the aim of building this into a social grade consideration within the sourcing decisions.

Product Sourcing – Private Label



Country	FOB £m
China	186.7
Bangladesh	39.0
Vietnam	26.3
Turkey	21.3
Pakistan	14.3
Cambodia	6.9
India	6.1
Egypt	4.3
Other	3.8
Total	**308.7**

Our main sourcing regions continue to be Asia, India, Turkey and Pakistan.
The chart above illustrates the FOB (origin cost of goods) value (Sterling) by country for all entities that source private label products.
The Group works to ensure that all entities comply with our ethical and environmental policies.
We continue to engage and embed policies into acquisition businesses, working towards reaching our private label best practice standard across our collective supply chains.

GUIDANCE/POLICY DOCUMENTS

The JD Group has supplier resource guidance documents accessible on its corporate website. Translation is underway for upload to a supplier portal into all relevant languages.

Policies include:
- Ethical Code of Practice
- Suppliers Using Third-Party Labour Providers
- Child Labour Policy
- Forced Labour Policy
- National Minimum Wage Guidance
- Responsible Exit Policy
- Migrant Worker Policy
- Purchasing Practices
- Equality and Diversity Policy
- Animal Welfare Policy
- Chemical Management Policy
- Product Governance Policy
- Green Logistics Policy
- Group Environmental Policy
- Group Cotton Sourcing Policy

These policies can be found here: **https://www.jdplc.com/esg/policies**

People

Our people are essential to everything we do. Their talent, dedication, and innovation enable us to deliver value to our customers, partners, communities and shareholders. By investing in their growth, fostering an inclusive culture, and prioritising well-being, we empower our teams to excel and make a meaningful impact.

"Retail is more than just a job – it's a career, a community, and a chance to grow. This year I am especially proud of the team's dedication to leading innovative projects to support this message. From championing socio-economic inclusion via our JDUP events to unlocking talent across all backgrounds through our development pathways, we are opening doors and making career opportunities more accessible. We are looking for our next future leaders to share their passion for retail, as every role from the shop floor to the back office offers valuable experience. JD has proven to be a dynamic environment where careers are built, skills are developed, and leaders are made."

Nicola Kowlaczuk,
Chief People Officer

97,000 +
Colleagues globally

88.1%
of colleagues participated in our global engagement survey

100+
Number of development and apprenticeship programmes designed for colleagues globally.

Our people strategy focuses on:

CHAMPION OUR PEOPLE
DEVELOP TOP TALENT
ENGAGE AND EVOLVE
LEAD FOR THE FUTURE

ESG – Social continued

Champion our People
Every colleague is encouraged to bring the best version of their true selves to the Group. To help them do this, we foster inclusion and support wellbeing by creating an environment where everyone is valued, and barriers are removed.

We encouraged colleague voices by introducing four new Employee Resource Groups ('ERGs') in the UK off the back of the success in the USA. The groups give colleagues across all areas of the business the opportunity to network, discuss lived experiences, raise awareness and help shape our strategy. Backed by executive sponsors these groups have been critical in delivering activations across the business for events such as National Inclusion Week, Black History Month, South Asian Heritage Month and Disability History Month.

Diversity, Equity & Inclusion (DE&I)
Throughout 2024 we continued to deliver on our goals by bringing strength through diversity.

The networks support colleagues from different communities including:

- RACE, ETHNICITY AND CULTURE
- DISABILITY AND NEURODIVERSITY
- LGBTQI+
- MENTAL HEALTH
- VETERANS
- PARENTS

The plan for 2025 is to support the introduction of ERGs across Europe and APAC and create a global environment with mentoring opportunities.

We strengthened our partnerships in 2024 by becoming a member of the Business Disability Forum, who provide global resources and are the leading business membership organisation in disability inclusion.

This is alongside our partnership with Inclusive Employers who this year provided several webinars to our colleagues globally including:

Impact Matters:
Emotional intelligence in challenging times

Black History Every Month:
A look back at Black British history

International Men's Day:
Breaking the stigma around men's mental health

Our partnership with Diversity in Retail has continued to provide a platform for our Colleagues to collaborate across the Retail and Hospitality Community along with an opportunity to continue their professional development and networking through:

- **Women's Leadership Programme**
- **Ethnic Future Leaders Programme**
- **Senior Ethnic Future Leaders Programme**
- **Women's NED Programme**

Mental Health and Wellbeing
Our People team deliver the commitment from our executive team by creating a culture where mental health and wellbeing are a priority. We have trained Welfare Champions across the UK, North America, EMEA and Asia focused in key areas such as:

- **Modern Slavery**
- **Building Resilience**
- **Stress Management**
- **Suicide Prevention Support**

These trained champions provide support and resources internally and externally on the 4 key pillars:

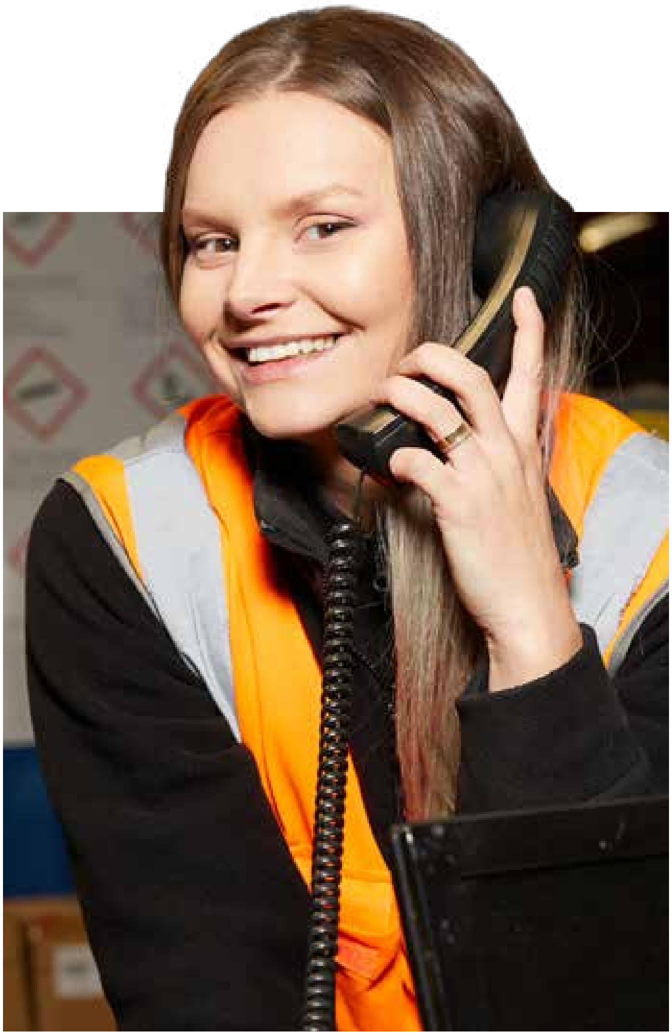
- **Financial Health**
- **Social Health**
- **Physical Health**
- **Mental Health**

This year we also extended our commitment to colleagues by partnering with Cognassist to deliver neurodiversity training for colleagues in the UK and USA.

50 Neuro-inclusion Champions and 30 Managers have been trained to drive forward neuro-inclusion in the workplace.

Further to this the TELUS Employee Assistance Programme is a crucial component in our wellbeing strategy and is available to colleagues all over the world, providing access to resources and services that help our people, and their families thrive.

We're confident that our approach is working, as a huge 86% of our colleagues agreed with the statement "I can be myself at work" in our recent Global survey.



"Mental Health is one of the top challenges facing the world today. There is a commitment from me and all of our leadership, from all of our managers to mental health support. We want to create a culture of being open where colleagues can talk freely and easily about mental health."

Régis Schultz,
CEO

ESG – Social continued

Developing and Recruiting Top Talent
JD is a globally recognised brand by customers but we work hard to ensure that our reputation as an employer is equally as strong. We're continuing to build our brand to draw in top talent by further improving our industry-leading LinkedIn approach by aligning our many entities across the globe into a single identity.

We have clearly defined our culture, outlining the qualities we see in our existing and prospective colleagues. This clarity of identity is accompanied by our focus on increased opportunities within the business, as we continue to promote global mobility and make colleagues aware of the avenues for growth that are both available and emerging.

We support growth by ensuring this messaging remains consistent throughout a colleague's career with the business and our impressive catalogue of development opportunities (both internal and external) are aligned to career roadmaps which clearly outline a learning path from entry-level positions to executive roles.

Over the last 12 months we have invested in further developing career pathways for all colleagues. We have roadmapped the progression opportunities available across all functions in our business. For example the Retail Roadmap contains 10 specifically designed programmes to enable personal and professional growth. This alongside our apprenticeships programmes support our Social Mobility strategy by recognising the incredible talent all across our business and creating an environment where everyone has access to opportunities for growth. Traditional pathways are not accessible to everyone so alternative solutions are more important than ever to unlock potential and support long term success.

In 2024, we continued our reverse mentoring commitment, encouraging business leaders to gain insights into different lived experiences and ensuring that at all levels we challenge ourselves and continue to grow. Our CEO along with experienced Directors have already established mentoring relationships with internal and external junior to mid-level colleagues and external partners as part of this initiative.

Engage & evolve
Listening to our colleagues is a critical aspect of our ongoing evolution as a business. We listen and act by regularly connecting with, collecting and delivering upon feedback.

We make sure we do this throughout the year via our Your Voice suggestion box, which is open to all colleagues to suggest any improvements they would like to see. These suggestions have informed decisions across the business, from investments in our infrastructure to policy developments.

Each year we also ask our colleagues to participate in our Global Engagement Survey. 2024 saw over 79,000 (88.1%) of colleagues across the business deliver their feedback. This provides valuable insight into how we can make the JD Group even better for our teams and will contribute to our People strategy over 2025/26 and beyond.

We use technology to keep colleagues up to date and our new communications app will be rolling out globally in the first half of 2025. This, in addition to regular Town Halls and Q&A sessions with the CEO, comms issued via email and our monthly Company magazine make sure our teams remain informed, wherever they are in the world.

Improving the workplace with modern tools and processes is a key focus and, in addition to the new app, we will also introduce our new HRIS system in 2025.

Lead for the future
Our Talent Mapping team ensure the Group understand and prepare for future workforce needs.

We also continue to Develop Leaders as our JD Exclusive programme, designed for colleagues at Senior Management level, successfully completed its second cohort. This nine-month programme focuses on strengthening leadership resilience and aligns with our succession strategy, nurturing the next generation of leaders.

We're taking this approach to our communities too, as our employability programmes in partnership with the King's Trust, 10k Interns, Girls Inc., 100 Black Men of America and our work experience initiatives have provided useful work-based training and, in some cases led to full-time employment with the Group.

Communities

£4.5m
donated between JD Foundations in the UK and USA and to community projects in EU, (Feb 2024–Jan 2025)

200+
Over 200 Community projects supported via grant's and partnerships

£2.0m
donated to the JD Foundation from sales of the JD duffle bag in UK and Europe (Feb 2024–Jan 2025)

£465k
In-store donations raised for JD Foundation via Pennies (Feb 2024–Jan 2025)

65+
locations across the UK supported with community grants

Our Mission

THE JD FOUNDATION WAS FOUNDED IN 2015 AND HAS BEEN DEDICATED TO SUPPORTING YOUNG PEOPLE TO ACHIEVE THEIR UNLIMITED POTENTIAL

Last financial year was our most successful to date

JD FOUNDATION
The commitment to our communities is embedded in the Group's strategic pillars, as well as its overall mission to connect globally, empower individually and inspire locally.

The JD Foundation and JD Finishline Foundation generate charitable donations on both sides of the Atlantic and our People teams continue to organise community events focused on effecting change and making a difference.

JD Foundation (UK) partnered with Neighbourly this financial year to manage grant giving and charity partnership donations. This has given the Foundation access to more detailed social impact reporting and contributed to widening the scope of donations across the country. SDG Goals **(https://www.neighbourly.com/analyticsandreports/socialimpact)**

SUSTAINABLE DEVELOPMENT GOALS

The top 3 SDGs are identified through this process and reported as follows:

8,375
people supported

£203,965
donated

1 NO POVERTY

22,465
people supported

£585,560
donated

3 GOOD HEALTH AND WELL-BEING

5,267
people supported

£247,276
donated

10 REDUCED INEQUALITIES

This commitment has manifested in numerous global volunteering events. Our teams have been proactive in visiting local schools to provide careers advice, participating in environmental initiatives and organising product giveaways. They are driven by a desire to contribute positively to their communities. The JD Foundation strategy for 2024 saw us build on the connection our colleagues have with their local communities, as we actively encourage colleagues to nominate local causes close to their hearts and stores, for one-off grants ranging from £1,000 to £5,000.

In October 2023, the Group formed an official partnership with The Kings's Trust. As part of our ongoing commitment, JD Foundation will continue its sponsorship of The Kings's Trust Community Impact Award recognising young individuals who have made significant contributions to their communities.

ESG – Social continued

Charitable Donation of Plastic Bag Levy Income

The Group voluntarily donates 100% of the income net of VAT arising from the sale of our iconic JD duffle bags to the JD Foundation, which is a significant income source for the charity, allowing it to develop initiatives and support causes that will allow young people to achieve their unlimited potential.

Where local governments allow, this is also the process in place across EU territories, and will eventually be rolled out across all of our territories, globally, to allow us to give back to our communities.

Internationally, the Group's charitable and community activity also continues to grow.
In the USA, our Louder Than Words grant programme, which focuses on supporting diverse and underserved communities issued grants of $10,000 to 66 nonprofits across the USA. Other highlights include over $400k raised at the annual JD Finish Line Foundation (JDFL) Invitational Golf event.

Our Community Brands have embedded involvement with local communities into their everyday practices and work with brands to participate in a broad range of community events and giveaways across the USA throughout the year.

Our teams in Iberia have arranged numerous Football in the Community events, creating community and friendship amongst teams comprised of volunteers and refugees in Spain and Portugal in collaboration with the Spanish Commission for Refugees (CEAR). Together with Nike, the Iberia team also continued to support the Play for the Future project, which focuses on creating safe spaces and transferring values via sport to children aged 5-16 with a high risk of exclusion. This has seen over 800 children participate in 5 cities following an investment of €200,000,

In Indianapolis, Alicante and Kingsway volunteers from the Group have participated in tree planting initiatives in the areas around our local offices and Distribution Centres, giving back to the areas in their immediate vicinity. In addition to volunteering, the former raised $35k which was then matched by the JDFL Foundation to fund the entire event.

Our partners internationally include:

- The King's Trust
- Young Minds
- PAPYRUS
- COPPAFEEL
- Girls Inc.
- Feeding America and 100 Black Men of America

Every penny donated from JD Group to the JD Foundation is spent on building an organisation that will provide opportunities to our communities for years to come.

3,300+
Young people engaged

500+
JD Colleague Volunteers

> "I can honestly say it was one of the best events I have been to in a long time."
>
> **Assistant Head,**
> All Hallows RC High School, Salford

> "My favourite activity from the day was exploring the different career paths in JD because I thought it was mostly about retail."
>
> **Year 10 Student**
> JDUP London

> "I think the event was well organised and I enjoyed learning about the different types of jobs that are part of JD. My favourite parts were the gym activity and creating an outfit."
>
> **Bolton Wanderers in the Community (JD Foundation charity partner)**

JD UP

JD UP is our immersive careers experience that gives young people insight into the different roles that make up a global retailer.

Proudly hosted by JD Foundation, JD UP invites schools from lower socioeconomic areas to offer their young people an engaging experience to learn about future career opportunities outside of the traditional careers guidance.

Each event reflects the fun of a career at JD, and we invite influential talent to share their own career journey. In 2024, JD UP events included appearances from social media personalities and TV presenters as well as contributions from JD's own superstars from departments across the business.

We empower learning through JD UP, demonstrating the multiple opportunities to develop key skills across the retail landscape. We are taking every opportunity to inspire young people to be ambitious, entrepreneurial, and driven.

Due to the success in the UK, we are pleased to be introducing JD UP in 2025 to young people across Europe and beyond. The UK events saw participation from hundreds of JD Colleague volunteers across Retail, Head Office and DC from the UK, Europe and the USA. The support of our colleagues made JD UP an event to remember for thousands of young people.

BROUGHT TO YOU BY JD FOUNDATION

ESG

GOVERNANCE

Section 172 statement

This statement sets out how the Directors have approached and met their responsibilities under Section 172 ('s172') of the Companies Act 2006 and in particular how the Directors have satisfied themselves that they have acted in a way which is most likely to promote the success of the Group for the benefit of its members as a whole and, in doing so, have regard for stakeholders' interests.

This statement should be read in conjunction with the Stakeholder Engagement section on pages 81 to 86.

Further information on how s172 has been applied by the Directors can be found throughout the Annual Report:

s172 duties	Read more	Pages
Consequences of decisions in the long term	Our Business Model and Strategy	**20-31**
	Principal Risks	**46-53**
	Viability Statement	**53**
	Going Concern	**53**
	Activities of the Board	**99-104**
Interests of employees	Our People	**73**
	Diversity, Equity and Inclusion	**74**
	Engagement and Communication	**76**
	Culture	**99**
Fostering business relationships with suppliers, customers and others	Chair's Statement	**10-11**
	Chief Financial Officer's Statement	**34-53**
	Stakeholder Engagement	**82-87**
Impact of operations on the community and the environment	TCFD	**57-66**
	Sustainability	**87**
Maintaining high standards of business conduct	Culture	**6-7**
	Whistleblowing Policy	**103**
	Anti-Bribery and Corruption Policy	**103**
	Modern Slavery Statement	**70**
Acting fairly between members	Shareholder and Voting Rights Stakeholder Engagement – Shareholders	**95** **84**

Board Awareness	Each Director is aware of their Director's duties in respect of the Section 172 Statement.
Board Engagement	Our Board directly and indirectly engages with our stakeholders. See pages 86 to 91 for further details.
Board Strategic Discussion	The Board considers the impact of its decisions on our stakeholders.
Board Decisions	Outcomes of Board decisions are assessed and further engagement with stakeholders is undertaken where appropriate.

Key decisions taken by the Board

Derby Distribution Centre closure

During the course of the year, and following a strategic review of the Group's supply chain, the Board made the difficult decision to close the Derby Distribution Centre. When considering this decision, the Board considered a number of factors including alternatives to prevent the closure and the impact on stakeholders, including:

Colleagues
The Board considered the impact this decision would have on the 200 colleagues affected by the closure and ensured sufficient support would be put in place to support them.

Shareholders
The Derby closure allowed for more effective use of other, existing assets, thereby reducing supply chain costs down and increasing efficiency.

Customers
Better use of other, existing facilities, including Ship from Store means the Group can provide a more efficient service to customers.

Director's Remuneration Policy review

As required, the Remuneration Committee conducted a review of the Directors' Remuneration Policy during the year. As a result of the review, the Committee consulted with the Group's top shareholders to ensure their feedback was taken into account when finalising the Policy. The Policy will be voted on by shareholders at the AGM in July. When conducting the Directors' Remuneration Policy review the Remuneration Committee considered all relevant factors, including:

Colleagues
The new Policy better aligns to the Group's strategy, and ensures colleagues understand, and are aligned with, the targets for the business.

Shareholders
The changes better align the goals of the directors with those of shareholders. It improves the Board's ability to retain and, if required, recruit top talent, recognising our position as a global business with a UK HQ.

Acquisition of Hibbett and Courir

In July 2024, the Group acquired Hibbett Inc., a leading sports fashion inspired retailer based in North America and in November 2024 it completed the acquisition of Courir, a market leader in sneakers headquartered in France. The Board considered the impact of these acquisitions on key stakeholder groups including:

Shareholders
Each of the acquired businesses was identified as having the ability to enhance earnings of the Group in both the short and long term. In particular, the acquisition of Hibbett represented an opportunity to accelerate the Group's North America strategy and improve efficiency across existing North American fascias.

Customers
The acquisition of Courir has broadened the Group's customer reach, addressing a more female, fashion conscious and older customer base. The acquisition of Hibbett, provides the opportunity to serve a larger geographical area of North America and utilise the Group's existing supply chain to better serve those customers.

Stakeholder Engagement

CUSTOMERS

Key Considerations

There continue to be high expectations and elevated demands from consumers for seamless experiences, stretching across a wide range of digital, store and social touchpoints. Such demand has extended, with consumers not just expecting a seamless experience from retailers but from their partners too.

How We Have Engaged

1 In 2023, JD launched its omnichannel loyalty programme, JD STATUS, across Europe. The scheme, which allows customers to 'Earn' and 'Burn' 'JD Cash,' was first piloted in 10 stores around Manchester in August 2023. Following a successful trial, it was fully rolled out across England, Scotland, and Wales in October 2023, with Northern Ireland joining in December alongside expanded online capabilities for app users. In 2024, JD STATUS continued its expansion into France, the Republic of Ireland, Poland, Romania, and South Africa. The program remains a powerful growth driver in the US, where its >5 million active members contribute to over 40% of total omnichannel revenue.

In 2024, JD reached a major partnership milestone, becoming the first global partner of Nike's Connected Membership Programme. This initiative enables customers to link their Nike and JD loyalty accounts, unlocking rewards, exclusive products, experiences, and services. Connected Membership is now live for JD STATUS members across the US, UK, and EMEA regions. JD is also the only retailer with multiple fascias participating, as Hibbett joined the program in 2023 through its partnership with Nike.

Looking ahead to 2025, the JD STATUS programme will continue to strengthen its position as a revenue-driving brand asset, with a focus on building a robust customer data ecosystem. Investments will prioritize innovation and feature enhancements, delivering highly personalized offers and experiences. This strategic approach will allow JD to move beyond broad discounting, driving value through relevant, tailored engagement.

Stakeholder Engagement continued

2 The Global Voice of the Customer has successfully expanded into new markets across the Group while enhancing feedback methods within existing ones. A broader and more detailed program has enabled the JD Group to uncover customer insights at both the fascia and store levels. This work lays the foundation for 2025, supporting further expansion into newly acquired fascias, such as Hibbett Sports in the US. By refining data collection and focusing on actionable change, the Group is strengthening its customer-led strategy to deliver a unified brand experience worldwide.

3 The Customer Service team is actively integrating resources and systems to enhance the JD customer experience worldwide. By advancing 'Smart-Tech' functionality, the team is strengthening its customer-guided service model and optimising agent-first contact resolution tools. These innovations have collectively improved efficiency, resulting in a more seamless and effective service for customers. Additionally, we are exploring collaborative efforts across Group customer service operations to further unify and enhance our global service strategy.

4 In 2024, JD Sports partnered with Qualtrics to design and launch the first wave of a multimarket brand tracking program across the UK, US, Germany, Italy, Ireland, Spain, France and the Netherlands. This initiative aims to establish a reliable baseline for brand health and equity in each region, providing valuable insights to evaluate future activities and identify key opportunities within the competitive landscape.

A quantitative market study was conducted using online consumer panels to gather feedback from both customers and non-customers. The sample focused on sports fashion buyers aged 16+ who had made a purchase within the past six months, ensuring a broad representation across gender and region in each market. A second wave of research, scheduled for January 2025, will further validate the findings.

As anticipated, brand maturity varies across markets. Ireland and the UK emerged as the strongest performers, significantly outperforming the market average compared to competitors. While JD's brand awareness is currently lower in the US, consideration levels among those familiar with the brand are high, highlighting strong potential for future growth as visibility and familiarity continue to expand.

Impact of Engagement

1 The response to the JD STATUS loyalty programme from both customers and staff has been exceptional. With over 2.3 million members, loyalty participants now drive more than 30% of total JD sales in relevant European markets. These members demonstrate higher purchase frequency and average order value compared to non-members, resulting in a 24% increase in overall customer value. Early performance metrics indicate a modest but promising incremental uplift in sales and profit, with significant growth potential through feature enhancements, personalized communications, and exclusive offers—key priorities for 2025.

Initial testing of hyper-personalisation strategies, designed to engage customers based on their unique shopping preferences, has yielded strong results among loyalty members.

By the end of 2024, the JD + Nike Connected Member base neared 400,000 participants across the US and five European markets. Our global efforts remain focussed on refining and enhancing the relevance of Nike's Connected product offerings, ensuring that the products allocated to the program better align with the preferences of a broader consumer base.

2 The 'Global Voice of the Customer' team has leveraged over 8 million pieces of direct customer feedback to drive meaningful improvements across the JD Group. These insights play a crucial role in shaping our strategies to enhance the customer experience. A key impact of this data-driven approach is a significant reduction in customer service inquiries, reflecting the effectiveness of our improvements. In FY25, customer contacts decreased by 41% – equivalent to 1.6 million fewer inquiries compared FY24.

How the Board Took Account of the Engagement

The Global Customer Service Director reports directly to Chief Digital Officer, Arianne Parisi, ensuring clear oversight of customer service operations. A comprehensive weekly report is provided to Executive Directors and key stakeholders, offering insights and statistics on customer feedback gathered through multiple measurement sources. Additionally, the report tracks any rise in customer service contacts, which may indicate emerging issues requiring attention. This drives initiatives to improve the global customer experience, which is a key area of focus for the Executive Board.

The Board receives regular updates from customer engagement activities, offering valuable insights into customer experiences and sentiment. This information enables both the Board and the Senior Leadership team to direct strategic efforts toward enhancing the overall customer experience.

For JD STATUS, in-person monthly updates are held with Executive Directors to agree on future promotional activity and roadmap priorities, alongside periodic reports, to ensure continuous engagement and development. The team also engages external experts for frequent benchmarking and measurement support. The Board have asked for additional data on the impact of JD STATUS to monitor and provide oversight on the benefits of the programme, and ensure that both customers and the Group benefit from the insight the scheme provides.

Additionally, the Board periodically reviews matters relating to suppliers, shareholders, customers and employees, continuously assessing engagement mechanisms to maintain their effectiveness.

COLLEAGUES

Key Considerations

Our talented colleagues across the globe are the driving force behind our continuing success and growth at JD. They are instrumental in selecting and creating the right product as well as designing and delivering the best omnichannel experience for our customers. That's why we value the opportunity to listen to colleagues and involve them in shaping our policies to ensure we attract and retain colleagues who align with our mission and culture.

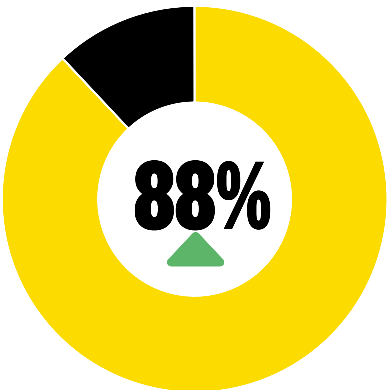
How We Have Engaged

This year, our Global Engagement Survey received 79,127 responses, achieving an 88% response rate, with responses from colleagues across 34 countries.

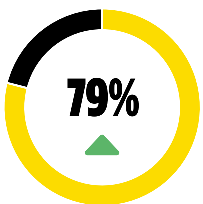
Survey questions were based on our three "E"s (Enablement, Empowerment and Engagement). All three areas showed a positive uplift versus FY24.

Response rates

2023: 79%

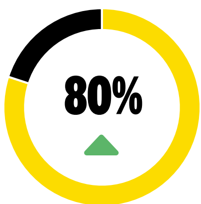


Enablement



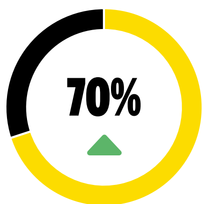
2023: 74%

Empowerment



2023: 77%

Engagement



2023: 69%

The results of this survey were shared with all colleagues in a live Town Hall event with the opportunity to ask questions at the end.

All colleagues from the boardroom to the shopfloor are involved in our internal colleague communications and participate regularly in webinars, Town Halls, Q&A sessions and communication pieces to ensure that our colleagues feel a connection with the teams that guide the business.

Our Colleague Networks have been an established aspect of our engagement approach in the US and were introduced in the UK this year. The networks support colleagues from different communities and backed by an executive sponsor including our Chief People Officer and Chief Digital Officer. Our networks offer support to the following communities:

DISABILITY AND NEURODIVERSITY | LGBTQI+ | MENTAL HEALTH | VETERANS | PARENTS

Impact of Engagement

Our colleagues know we value their opinion and feedback drives future projects to improve our engagement, catering to a multi generational and multi cultural workforce. Examples include:

- New colleague communications app "JD Now" being launched in early FY25. This app connects colleagues all levels in all locations across the globe, with the large majority of colleagues expected to be online by FY26.
- We continue to improve our wellbeing offering with support through our Employee Assistance Program (EAP) Telus. Covering all pillars with newsletters such as "Taking charge of your financial wellbeing"
- Our culture calendar is influenced by the demographic of our business with our engagement channels providing a voice during key events. This includes Pride, International Women's Day, South Asian Heritage Month and Black History Month.

This supports our mission to connect globally, inspire locally, empower individually.

How the Board Took Account of the Engagement

In addition to the active participation of Board members in engagement initiatives such as our Town Halls, Colleague Engagement Forums and events on our engagement calendar, the results of our surveys have been integrated into the planning and strategy of all departments at a senior level.

Our four strategic pillars are now established into our objectives, helping colleagues to understand our core mission.

Our Senior Independent Director responsible for Workforce Engagement, Kath Smith, continues to have an active role in championing our workforce, meeting with colleagues face-to face and online to ensure global representation, whilst actively hosting events and webinars celebrating key dates such as International Women's Day. Kath is responsible for updating the Board on engagement activities that take place throughout the year and is our colleagues' voice in the boardroom.

As a result of the engagement, the Board are conducting a detailed succession planning exercise for both Board and the Senior Leadership Team, and have committed to additional workforce engagement activities to strengthen their understanding of the workforce.

The Board supported further with investment in a new Global Comms and Engagement app improving the connection of all our colleagues across retail, head office and distribution centres.

Stakeholder Engagement continued

SHAREHOLDERS

Key Considerations

We are committed to maintaining open and transparent communication with our shareholders, ensuring their perspectives are heard and considered in our decision-making processes. Below, we outline the key activities undertaken to engage with our shareholders during the reporting period.

How We Have Engaged
We engage with stakeholders through a variety of channels :

Annual General Meeting (AGM):
- We hosted our AGM in July 2024. This was a key opportunity for shareholders to hear directly from the Board, ask questions and vote on resolutions.

Investor meetings:
- The Chief Executive Officer, Chief Financial Officer and Chair, together with other members of the Senior Leadership team where relevant, attended investor conferences and conducted roadshows throughout the year. These comprised a mix of one-on-one and group meetings, providing institutional investors and equity analysts with an opportunity for in-depth discussions on topics such as strategy, governance, financial performance and outlook.
- We also engaged with retail shareholders, ensuring all shareholders had access to key information. We are looking to expand our engagement with retail investors through newsletters and dedicated investor events.
- We maintain a dedicated investor relations team and contact points to ensure that shareholders can reach us at any time with their queries or input.
- As we are in a Directors' Remuneration Policy review year, the Remuneration Committee Chair engaged with our top shareholders on the proposed changes to the Policy.

Financial reporting:
In addition to the interim and annual financial results announcements, we provide quarterly updates. These include audiocasts and conference calls to update shareholders on our performance with live Q&A opportunities to address investor questions directly.

Sustainability:
As part of our commitment to environmental, social, and governance (ESG) matters, we engaged with our shareholders to discuss our sustainability strategy and progress.

Impact of Engagement
The Board welcomes all feedback and is committed to addressing these priorities as part of our ongoing strategic focus. As a result of the engagement during the period and listening to the feedback and concerns of shareholders, the Board implemented the following actions during the year:

- Introduction of a more regular reporting cycle to provide greater transparency on performance, in addition to the interim and annual financial results announcements.
- The Board sought feedback on specific governance matters, including remuneration policies, through advisory consultations with major institutional investors. This is being considered as part of the current/recent/ongoing triennial remuneration policy review.

How the Board Took Account of the Engagement
- The Board is active in seeking shareholder feedback directly through surveys and targeted outreach.
- The Board works closely with corporate brokers and other advisors to gather regular shareholder feedback. These intermediaries play a critical role in ensuring it stays informed about investor sentiment and emerging expectations both for the Group and in the market generally.
- The Board receives updates from Investor Relations at every Board meeting on shareholder changes and a summary of interactions including topics covered and key questions.
- Following consultation with shareholders, changes were made to the proposed Directors' Remuneration Policy to reflect the feedback received.

SUPPLIERS

Key Considerations

JD's status as a global strategic partner with key international brands is a key factor in the success of the Group. The key supply chain and environmental management credentials of our largest suppliers are listed on page 56.

For our private label supply chains, a robust framework is in place for the protection of people working for our suppliers, including the safeguarding of basic human rights for workers.

Our Ethical Code of Practice follows the principles of the International Labour Organization (ILO). Assessments. Audits are conducted prior to onboarding both JD and Outdoor private label suppliers.

Within the private label supply chain, full transparency on factory location and audit status enables our Compliance team to work with suppliers to monitor and improve both working and physical environments. Regular assessment ensures that fundamental health and safety measures are in place.

How We Have Engaged

- We undertake regular audits and due diligence on, and with our private label factories
- We regularly engage with our largest suppliers of branded products on ESG-related risks, including our respective approaches to climate change initiatives.
- Members of the Senior Leadership team met with the senior stakeholders at key suppliers (such as Nike, adidas, The North Face, Under Armour, VF Corp, New Balance) on a regular basis throughout the period to discuss relationships and feedback.
- The wider JD business (including members of the Senior Leadership team) engages with suppliers on day-to-day matters such as product purchases, marketing campaigns and ongoing projects. Two-way feedback is an ongoing process with our suppliers.
- Our sustainability teams meet with their counterparts at our key brands to compare best practice, with particular focus on climate change.

Impact of Engagement

- Our Ethical Code of Practice ensures that fundamental health and safety measures are in place, along with promoting and safeguarding the basic human rights of supply chain workers. For more information on policies see page 72.
- Engagement with suppliers ensures that the Group continues to be a key strategic brand partner of the international brands. By nurturing these key relationships, the Group aims to continue receiving the differentiated footwear and apparel which our consumers desire.
- The Nike Connected loyalty programme highlights JD's and Nike's ability to provide a compelling and differentiated proposition both in store and online through a deep understanding of their consumers.

How the Board Took Account of the Engagement

- The CEO is heavily involved in all material supplier relationships and holds regular 'top-to-top' interaction with the leadership of those suppliers. Other supplier relationships are managed by a combination of the Divisional Managing Directors and the Brand Liaison Director, who via their monthly 1-to-1 meetings with the CEO, can feedback points of note. In addition to the direct sales/buying relationship, the operational functions across the business, including Logistics, Merchandising, Marketing and Finance also have regular interaction with their counterparts in the supplier base. Those functional leads also have monthly 1-to-1 meetings with the CEO and will feedback relevant points as necessary. Ahead of each Board meeting, the CEO collates all the various updates from his interactions, internal and external, and disseminates relevant points to the Board through the CEO Report.
- Outside of this regular process, the Board is updated by way of formal presentations when a decision is of significance in terms of revenue, compliance or strategic importance. These discussions are minuted through the usual Board process. Programmes such as Nike Connected partnership go through appropriate legal review prior to being presented to the wider Board, with approval sought from the General Counsel and the Executive Directors.
- The Board encourages the JD team to attend leading conferences, such as the British Retail Forum and the National Retail Federation Expo, to learn about digital innovation in supply chains to make our business more globally sustainable and less environmentally damaging ways of working.

Stakeholder Engagement continued

COMMUNITY

Key Considerations

As a successful global business, we take our commitment to the communities we serve very seriously.

That's why our strategy focuses on JD's reputation as an inspirational and aspirational brand in terms of our social responsibility.

As a global organisation we are proud to support initiatives that positively impact the communities our colleagues and customers are part of.

How We Have Engaged

Our commitment to communities continues to be embedded into our strategy, as part of our 'Best for People, Partners and Communities' and 'Complementary Concepts' pillars.

We support activities to drive community engagement and create volunteering opportunities through our partnerships. Examples include JD France's 'Sport2Job' project; Spain and Portugal's JD Football in the Community events; and JD Finish Line raising over $750k via in store donations for their back to school campaign.

In the UK, FY24 was the launch year for JDUP, our social mobility focused, fully immersive careers event, designed with young people in mind to raise aspirations and broaden mindsets. The events took place in Manchester and London, supporting young people from schools in lower socio-economic areas to see their own potential by bringing the ethos of the Group to life. With volunteers from all parts of the JD Group, we demonstrated the different career pathways offered by JD and the importance a job in retail can have in building skills for the future.

The Group submits voluntary environmental disclosures that provide communities, regulators and governments with transparent, verifiable information relating to our business impact.

The Group provides wide-ranging data and climate strategy information to evidence our commitment to reduce our impact on the communities in which we sell to consumers, and those from which we source.

Impact of Engagement

- After JDUP, JD Foundation partnered with Whysup to deliver mental health and resilience workshops to young people in schools coping with the pressure of exams. Feedback from the students and teachers has been fantastic. "*The students absolutely loved the day and everything about it! Numerous members of staff have passed onto me how much the students were talking about the day in their lessons they were thoroughly engaged and felt inspired*" (School Head of Year)
- JD Foundation in the UK and JD Finish Line Foundation in the US, have multiple partnerships dedicated to supporting young people to achieve their unlimited potential. These partnerships deliver established programmes and are proven to develop skills for the future. Our partnerships include:

How the Board Took Account of the Engagement

- Board engagement is undertaken via the ESG Committee, the JD Foundation Trustees, and the JD Finish Line Foundation Trustees.
- A number of our Senior Leaders (including our CEO) are involved in reverse mentoring initiatives, giving them a direct connection with the challenges facing young people in our communities.
- The JD Finish Line Foundation reports strategic plans via our North American General Counsel, with scheduled annual reviews undertaken with members of the ESG Committee.
- On a regular basis, ESG Committee members submit strategic plans to the Group Board via our scheduled Board reports. Within the period, the Board received updates on topics ranging from charity and social investment to enhanced supply chain worker protection and the Group's progress against our documented sustainability targets.
- The Board supported further investment in the new building at Bury head office, which improves the facilities available for colleagues, many of whom live in the community.

Non-Financial and Sustainability Information Statement

The statements below reflect our commitment to, and management of, employees, communities, the environment, human rights, anti-bribery and anti-corruption in the last 12 months, as required by sections 414CA and 414CB of the Companies Act 2006.

Our business model can be found on pages 20 to 21.

Reporting Requirement	Relevant policies, documents, or reports that set out our approach	Sections within the Annual Report to read more about the outcomes and related non-financial KPIs of Our Commitment
Employees	– Whistleblowing Policy – Code of Practice – Ethical Code of Practice – Diversity, Equity & Inclusion Policy	– CEO Review, on **page 12 to 17** – Stakeholder Engagement, on **pages 81 to 86** – Purpose, Culture and Values, on **pages 6 to7** – Section 172 Statement, on **pages 80 to 86** – Board Diversity Tenure and Experience, on **page 100** – s414C(8)c Companies Act 2006 Diversity Disclosures, on **page 101** – ESG – People, on **pages 73 to 76** – Our Strategy, on **pages 22 to 23** – Nominations Committee Report, on **pages 104 to 105** – Remuneration Committee Report, on **pages 114 to 139**
Environmental Matters	– Product Governance Policy – Environmental, Social and Governance Report 2021 – Additional Information – TCFD – JD Group Environmental Policy – ESG Report 2024	– ESG, on **pages 54 to 79** – Section 172 Statement, on **pages 80 to 86** – TCFD, on **pages 57 to 65** – ESG Committee Report, on **page 112** – Climate-related ('CR') financial disclosures: (a) CR governance arrangements, on **page 58**; (b) how CR risks and opportunities are identified, assessed and managed, on **pages 58 to 64**; (c) how processes for identifying, assessing and managing CR risks are integrated within the Group's overall RMF, on **pages 63 to 64**; (d) description of (i) principal CR risks and opportunities and (ii) time periods to which these are assessed, on **page 60**; (e) actual and potential impacts of the principal CR risks and opportunities on the business model and strategy, on **page 60**; (f) resilience of the business model and strategy, taking into consideration different CR scenarios, on **page 61**; (g) targets used to manage CR risks and realise CR opportunities and performance against targets, on **page 64**; (h) KPIs used to assess progress against targets and calculations on which these are based, on **page 65**.
Communities And Social Matters	– Gender Pay Gap Reports – Code of Practice – ESG Report 2024	– Section 172 Statement, on **pages 80 to 86** – Stakeholder Engagement, on **pages 81 to 86** – ESG, on **pages 54 to 79** – ESG Committee Report, on **page 112**
Human Rights	– Modern Slavery Statement – Code of Practice – Migrant Worker Policy – Code of Practice Auditing Standards	– Stakeholder Engagement, on **page 70** – ESG, on **pages 54 to 79** – ESG Committee Report, on **page 112**
Anti-Bribery And Anti-Corruption	– Anti-Corruption and Bribery Policy	– Audit & Risk Committee Report, on **page 111**
Principal Risks	– Code of practice – Group RMF	– Principal Risks, on **pages 46 to 53** – TCFD Risk Management, on **page 63**
Non-Financial KPIs		– Section 172 Statement, on **pages 80 to 86** – Non-Financial KPIs, on **page 33** – TCFD Metrics and Targets, on **pages 64 to 65**

The Strategic Report has been approved by the Board of Directors and is signed on its behalf by:

Dominic Platt
Chief Financial Officer

20 May 2025

Governance at a Glance

Section 1: Board Leadership and Company Purpose

A. Effective and entrepreneurial Board to promote the long-term sustainable success of the Company, generating value for shareholders and contributing to wider society.

B. Purpose, values and strategy with alignment to culture.

C. Resources for the Company to meet its objectives and measure performance. Controls framework for management and assessment of risks.

D. Effective engagement with shareholders and stakeholders.

E. Consistency of workforce policies and practices to support long-term sustainable success.

Section 2: Division of Responsibilities

F. Leadership of Board by Chair.

G. Board composition and responsibilities.

H. Role of Non-Executive Directors.

I. Company Secretary, policies, processes, information, time and resources.

Section 3: Composition, Succession and Evaluation

J. Board appointments and succession plans for Board and Senior Management and promotion of diversity.

K. Skills, experience and knowledge of Board and length of service of Board as a whole.

L. Annual evaluation of Board and Directors, and demonstration of whether each Director continues to contribute effectively.

Section 4: Audit, Risk and Internal Control – Contains Information Required for DTR 7.2.5

M. Independence and effectiveness of internal and external audit functions, and integrity of financial and narrative statements.

N. Fair, balanced and understandable assessment of the Company's position and prospects.

O. Risk management and internal control framework, and principal risks the Company is willing to take to achieve its long-term objectives.

Section 5: Remuneration

P. Remuneration policies and practices to support strategy and promote long-term sustainable success with Executive remuneration aligned to Company purpose and value.

Q. Procedure for Executive Director and Senior Management remuneration.

R. Authorisation of remuneration outcomes.

Chair's Introduction to Governance

Andrew Higginson
Chair

Over the past few years, the Group has invested significantly to improve the governance standards in the Group. As a result of this investment, the Group is now looking ahead to ensure the governance remains appropriate and proportionate for the future, and allows the Group to continue to be agile in a challenging retail landscape.

Below are some key governance highlights from the year. Details of how we have complied with the principles of the 2018 UK Corporate Governance Code (the 'Code') throughout the period can be found in our Corporate Governance Report, Strategic Report and Committee Reports as signposted on the previous page.

Board Changes
Following the acquisition of Hibbett, Inc. during the year, the Board recognised the need to enhance its knowledge of the US market. As a result, a process commenced to recruit a US-based Independent Non-Executive Director. Prama Bhatt joined the Board in September 2024, bringing a wealth of relevant experience to the Board and, in particular, a deep understanding of the US retail landscape. Prama has over 20 years of experience in omnichannel retailing, and her skills and experience and US perspective add a crucial perspective and insight to Board discussions.

During the year, Mahbobeh Sabetnia and Suzi Williams left the Board, in July and November respectively. I would like to thank them both for their contribution to the Board.

As a result of the changes, the Board took this opportunity to review the chairship of the Committees, with Angela Luger stepping up to become the Remuneration Committee Chair and Darren Shapland taking on the chairship of the ESG Committee. We also reduced the overall size of the Board by one member, with the purpose being that a smaller Board allows greater focus.

Remuneration Policy
The Group's Remuneration Policy will be put before shareholders for approval at the 2025 Annual General Meeting ('AGM'). In looking at changes to the policy, the Remuneration Committee considered the changes necessary to ensure the policy is fit for purpose and supports the future plans of the Group. As a result of this work, and based on advice from our remuneration advisors, changes are being proposed to the existing policy, which the Board supports and believes will strengthen the ability to recruit, retain and continue to motivate the Group's senior leaders, and better reflect our status as an international Group. As to be expected, shareholder consultation has helped to refine and strengthen the proposals.

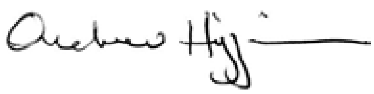
Further information regarding the proposed changes can be found from page 116 onwards.

Corporate Governance
During the year, investment has been made into the Finance, Company Secretariat and Internal Controls functions to continue the good work undertaken in previous financial years as part of the Corporate Governance Transformation Programme, which has now concluded.

Looking ahead, the Board has noted the changes introduced to the UK Corporate Governance Code, and, with support from the Company Secretary, continues to work to ensure adherence to these changes. The 2024 UK Corporate Governance Code (the '2024 Code') will apply to the first accounting period commencing after 1 January 2025, meaning the Group will be required to comply with the 2024 Code from FY26.

Annual General Meeting
Our AGM will be held on 2 July 2025. Full details of the meeting arrangements and the resolutions to be proposed to shareholders can be found in the Notice of AGM, which will be made available on our website. The outcome of the resolutions put to the AGM, including results of the poll, will be published on the London Stock Exchange and Company websites once the AGM has concluded.

I hope you find the information contained within the Corporate Governance Report and the rest of the Annual Report and Accounts helpful and informative.



Andrew Higginson
Chair
20 May 2025

Board of Directors

Committees key:

N Nominations Committee	D Disclosure Committee
A Audit & Risk Committee	E ESG Committee
R Remuneration Committee	Committee Chair (yellow)

Andrew Higginson

Independent Chair

Committee: D N

Appointed: 8 July 2022

Experience: Andy is a highly experienced and proven retailer and Chair with almost 35 years of continuous Plc Director experience in both Executive and Non-Executive roles. This includes 15 years as an Executive Director of Tesco plc, and until recently, seven years as Chair of William Morrison Supermarkets plc. During this time, Andy oversaw a major turnaround of the business and significant value creation for shareholders. Andy was previously Senior Independent Director at Sky plc and Flutter plc.

External Appointments: Andy was appointed to the Board of Majid Al Futtaim Holding LLC as a Non-Executive Director in February 2025. Andy holds a small number of private company and pro bono Board and advisory roles. He is Chair of the retail industry's trade body, the British Retail Consortium.

Régis Schultz

Chief Executive Officer

Committee: E

Appointed: 1 September 2022

Experience: Régis has a wealth of prior retail experience as Chief Executive Officer, including of a UK-listed retail business, and across retail categories including home, fashion, electrical, sporting goods and food. In particular, Régis has a strong track record of effecting transformational change through digitalisation, driving multichannel growth strategies and working across international markets. Prior to joining JD, Régis was President of Retail at Al-Futtaim Group, the Dubai-based conglomerate which is partner to many of the world's most high-profile companies across automotive, retail, financial services, real estate and health sectors.

External Appointments: None.

Dominic Platt

Chief Financial Officer

Committee: D

Appointed: 4 October 2023

Experience: Dominic was the former CFO of BGL Group Limited, one of the UK's leading digital distributors of financial services and owner of Compare The Market Limited. Prior to that he held a series of senior finance roles including as an Executive Director at Darty plc, where he was Group Finance Director and Managing Director of International Businesses, and at Cable and Wireless plc, both in the UK and internationally. Dominic has extensive experience in international consumer-focused public and private companies, including helping to drive growth strategies and deliver successful results. Dominic was previously a Non-Executive Director and Chair of the Audit and Risk Committee of N Brown Group plc and is a Fellow of the Chartered Institute of Management Accountants.

External Appointments: None.

Kath Smith

Senior Independent Director and Non-Executive Workforce Engagement Director

Committee: A N E

Appointed: 13 May 2019

Experience: Kath was appointed to the Board as a Non-Executive Director in May 2019 and became Senior Independent Director and Designated NED in 2022.

Kath has over 40 years of UK and international business experience in the consumer and retail markets building world-leading brands, which includes 17 years with the adidas Group. She is internationally recognised as a leading figure in the sports, lifestyle and outdoor sectors.

Previous notable appointments include adidas Managing Director (UK and ROI), Reebok Managing Director/ Senior Vice President for North Europe and Vice President and General Manager EMEA for The North Face (VF Corporation).

External Appointments: Chair, Montirex Ltd.

Helen Ashton

Non-Executive Director

Committee: A D N R

Appointed: 15 November 2021

Experience: Helen has 30 years of experience of working in public and private equity backed businesses and is a qualified Chartered Management Accountant. As the former CFO of ASOS plc, Helen has a deep knowledge of high growth, digital fashion in an international arena. Helen has also held Executive level roles in ASDA, Barclays and Lloyds Banking Group, and CEO positions in high-growth private equity backed businesses.

External Appointments: Non-Executive Director of Entain plc, where she is Chair of the Audit Committee and a member of the Remuneration Committee. Non-Executive Director of ITV plc, where she is a member of the Audit and Risk Committee.

Prama Bhatt

Non-Executive Director

Committee: N E

Appointed: 23 September 2024

Experience: Prama brings over 20 years of experience in omnichannel retailing, leading digital and e-commerce teams at Kenneth Cole Productions and Toys R Us. Most recently, she served as Chief Digital Officer of Ulta Beauty Inc., where she was instrumental in driving the Company's digital transformation and expanding its omnichannel presence. In addition, Prama spent 10 years at Ford Motor Company and held various product design, development and strategy roles. Prama brings a wealth of relevant experience to the Board and, in particular, a deep understanding of the US retail landscape.

External Appointments: Prama is currently a Director of Hormel Foods Inc., where she sits on the Compensation Committee, and a Director of eHealth, where she sits on the Audit Committee and Government and Regulatory Affairs Committee.

Ian Dyson

Non-Executive Director

Experience: Ian has a strong track record across consumer-facing industries and public company boards. Ian was Chair and, before that, Senior Independent Director at ASOS plc, Senior Independent Director at Flutter Entertainment plc and a Non-Executive Director of Intercontinental Hotels Group plc and SSP Group plc. During his Executive career, Ian was Group Finance and Operations Director of Marks & Spencer Group plc, Chief Executive of Punch Taverns plc and Group Finance Director of Rank Group plc.

External Appointments: Chair of Currys plc and Non-Executive Director of Young & Co.'s Brewery, P.L.C.

Committee: A N R

Appointed: 9 March 2023

Bert Hoyt

Non-Executive Director

Experience: Bert is recognised as one of the most eminent leaders in the sporting goods and sportswear industry over recent years and has significant experience of global markets. Prior to his retirement in January 2021, Bert held the position of Vice President and General Manager of Nike EMEA. Bert is acknowledged for transforming Nike's business in Western Europe and EMEA, achieving substantial growth in revenues and profitability. Prior to spending 22 years at Nike in various roles ranging from Brand Marketing, VP EMEA Commerce, VP & GM Germany, Austria and Switzerland and VP & GM Global Football, Bert spent 10 years at Puma, six of them as General Manager for Puma International.

External Appointments: JD Sports Fashion Plc is currently Bert's only Plc Board appointment. Bert holds a select number of private company Board and advisory roles.

Committee: N R

Appointed: 8 September 2021

Andy Long

Non-Executive Director

Experience: Andy was appointed to the Board in May 2021. Andy is currently an Executive Director at Pentland Group and was CEO of Pentland Brands, the Pentland Group's portfolio of sports and fashion brands, until the end of 2020, having previously held the roles of CFO and COO. Prior to joining Pentland, Andy held senior finance roles at Boots and Procter & Gamble and is a Chartered Management Accountant. Andy served as a Board member and Audit Chair at Sport England from 2016 to 2022.

External Appointments: Executive Director at Pentland Group.

Committee: N

Appointed: 6 May 2021

Angela Luger

Non-Executive Director

Experience: Angela brings a wealth of retail and Non-Executive Director experience to the Board, with strong experience in digital commerce, digital transformation and marketing. She has held previous Non-Executive roles at Distribuidora Internacional de Alimentacion S.A., Manchester Airports Group Ltd and New Look Ltd, and was Chair of The Paint Shed Ltd. During her extensive career, Angela has held positions at Cadbury's, Coca Cola, Mars and Asda. She has acted as Managing Director at Debenhams and CEO at The Original Factory Shop and N Brown Group plc.

External Appointments: Angela is a Non-Executive Director of Jet2 plc and is also the Senior Independent Director at Portmeirion Group Plc, where she also chairs the Nomination Committee. Angela is also a Trustee of the micro-donations charity, the Pennies Foundation.

Committee: E N R

Appointed: 1 June 2023

Darren Shapland

Non-Executive Director

Experience: Darren has extensive experience in retail and consumer businesses over the past 35 years as both an Executive and Non-Executive Director. In recent years, he has held a variety of Non-Executive Chair and Audit Chair roles in FTSE 250 and FTSE 100 businesses including Poundland plc, Ferguson plc and Ladbrokes plc. In addition, he has chaired a number of private equity and venture capital backed businesses. In his executive career, Darren was CEO for Carpetright plc, having previously been CFO of a number of large retailers including J Sainsburys plc, Carpetright plc, Superdrug (Kingfisher plc) and a number of divisions of The Burton Group plc.

External Appointments: Darren is Chair of Hollywood Bowl Group plc and is Chair/Advisor to a number of venture capital/privately owned businesses.

Committee: A E N

Appointed: 1 June 2023

Theresa Casey

General Counsel & Company Secretary

Experience: Theresa joined the Group in April 2023. Previously, Theresa was General Counsel at the Open Banking Implementation Entity, having served as General Counsel and Company Secretary at N Brown Group Plc for seven years.

External Appointments: None

Committee: E D

Appointed: 11 April 2023

Other Directors who served during the year:
Mahbobeh Sabetnia served on the Board in the role of Non-Executive Director until 4 July 2024. Suzi Williams served on the Board in the role of Non-Executive Director and Chair of the Remuneration Committee until 1 November 2024.

Senior Leadership Team

Heads of Centres of Excellence

Dominic Platt

Chief Financial Officer

Experience: See page 90 for detail on Dominic Platt's experience.

Heads of Centres of Excellence

Jetan Chowk

Chief Technology & Transformation Officer

Experience: Jetan joined the Group in 2022 and brings a wealth of experience in both transformation and technology leadership, having driven enterprise-wide change for 15 years. With a strong foundation in both industry and consulting, including leadership roles at Ferrero and Deloitte, he has a proven track record in shaping global strategy and overseeing large-scale technology and transformation operations. His expertise spans retail and fast-moving consumer goods ('FMCG'), where he has successfully led complex transformation initiatives, ensuring that technology not only drives innovation but also enhances operational efficiency and business performance.

Heads of Centres of Excellence

Nigel Keen

Chief Property Development Director

Experience: Nigel joined the Group in 1995 to establish an internal property function. He has since built a professional team capable of meeting all property requirements across the Group's global territories.

Under his leadership, the store portfolio has grown from 40 to over 4,000 stores across the globe. Much of the growth has been organic, but Nigel has also negotiated several corporate acquisitions, accelerating the expansion in markets such as the Republic of Ireland, the Netherlands, France and Italy.

Heads of Centres of Excellence

Nicola Kowalczuk

Chief People Officer

Experience: Nicola began her journey with JD Sports as a sales assistant in our Bury store. Over the next 30 years, she took on positions of increasing responsibility at JD Sports within the People Team.

Nicola holds the position of Chief People Officer, where she is responsible for cultivating and nurturing the Company's people and culture practices. Nicola is committed to fostering a diverse and inclusive workplace, overseeing and executing the People Strategy for the Group's 97,000+ colleagues worldwide. She provides a strategic partnership to the Executive leadership team, whilst working collaboratively across the globe in all People matters.

Heads of Centres of Excellence

Arianne Parisi

Chief Digital Officer

Experience: Arianne joined the JD Group through the acquisition of Finish Line in 2018. She has since led the North American digital business for multiple JD fascias, including the launch and scale of Jdsports.com in the US.

In 2023, Arianne joined the Global Leadership team, supporting the Group in its ambition to achieve a customer-centric digital and omnichannel strategy.

Heads of Centres of Excellence

Wim Van Aalst

Chief Supply Chain Officer

Experience: Wim joined JD Group as interim Chief Supply Chain Officer ('CSCO') in August 2024. He took on the role permanently from February 2025. Wim comes to us with a wealth of Supply Chain leadership and transformation experience spanning a career of more than 30 years. His latest roles as the CSCO at ShopriteCheckers in South Africa, at Waitrose in the UK and at the Landmark Group in Dubai bring the necessary retail experience.

His role as Leader Centre of Excellence Global Operations at adidas, driving the Supply Chain Transformation from wholesaler to consumer-direct player, gives him also the necessary background and understanding of the Sport Fashion industry.

Heads of Centres of Excellence

Theresa Casey

General Counsel & Company Secretary

Experience: See page 91 for detail on Theresa Casey's experience.

Business Units

Michael Armstrong

JD Global Managing Director

Experience: Michael is a JD veteran, having started his career with the Group on the shop floor in Glasgow over 25 years ago. Michael progressed through the ranks of merchandising and footwear buying to become the JD Buying Director in 2012, progressing to lead the Group's consumer-facing offering for the last eight years.

Business Units

George Mersho

Community Brands Managing Director

Experience: George is a visionary entrepreneur with over 30 years of experience in the retail industry. As one of the original founders of Shoe Palace, he played an instrumental role in establishing the brand as a powerhouse in the footwear market. Under his leadership, Shoe Palace grew from a single store to a 170 store chain on the West Coast, solidifying its reputation as the number one Nike Inc. city specialty retailer.

Business Units

Alun Peacock

Managing Director JD Gyms

Experience: Alun joined the Group in 2013 to found the JD Gyms concept. He is a proven and experienced operator, widely recognised as a leading figure within the fitness industry.

Alun's career spans over 25 years, having developed and overseen the success of over 150 facilities for both major Plcs and numerous private ventures.

Business Units

Michael Tsiknakis

Managing Director of Cosmos

Experience: Although an Economist by degree, Michael is a passionate entrepreneur, having spent all his life in retail. As a member of a family business, he helped Cosmos grow from a tiny door in Crete to a 100+ door retailer operating JD and Cosmos banners in Greece and Cyprus.

Business Units

Pierre Chambaudrie

Complementary EU Managing Director

Experience: Pierre Chambaudrie joined the Group following completion of the acquisition of Courir on 27 November 2024. After many years working in Marketing , Sales and Strategy, Pierre joined Courir in 2014 as CEO. Courir Group has become the French leader in the sneakers market and has developed its unique positioning (focus on Women and Fashion) in Europe since 2018, with stores in Spain, Belgium, Netherlands, Italy and Luxembourg. Courir also acquired Naked Copenhagen in 2022.

Directors' Report

Régis Schultz
Chief Executive Officer

Pages 94 to 97 (inclusive) of the Annual Report, together with the relevant sections of the Annual Report, which are incorporated into these pages by reference, constitute a Directors' Report, which is required to be produced by law and is prepared in accordance with applicable law.

The Directors' Report also includes certain disclosures that the Company is required to make by the Financial Conduct Authority's UK Listing Rules ('UKLR') and Disclosure Guidance and Transparency Rules ('DTRs').

Fair, Balanced and Understandable

The Board considers that the Annual Report and Accounts, taken as a whole, is fair, balanced and understandable, and provides the information necessary for shareholders to assess the Group's position and performance, business model and strategy. A summary of the considerations made by the Audit & Risk Committee, at the request of the Board, to assess whether the Annual Report is fair, balanced and understandable is outlined on page 111. A summary of the Directors' responsibilities in respect of the Annual Report and Financial Accounts is set out on page 140.

Principal Activity

The principal activity of the Group is the retail of multibranded, sports fashion and outdoor clothing, footwear, accessories and equipment.

In accordance with the Companies Act 2006, the Strategic Report which can be found between pages 2 and 87 contains:

- a fair review of the business;
- a description of the principal risks and uncertainties facing the Group;
- a balanced, comprehensive and understandable analysis of the development and performance of the Group's business during the financial period, including an assessment of relevant environmental, employee, social, community and human rights issues, together with the Group's key performance metrics in a manner which is consistent with the size and complexity of the business;
- an assessment of the Group and Parent Company's ability to continue as a going concern, disclosing as applicable matters related to going concern.

The Group is committed to establishing and maintaining good corporate governance practices (as set out in the Corporate Governance Report), which the Board believes is appropriate for the business of the Group and is fundamental for retaining effective and long-term sustainable relationships with its key stakeholders.

The Corporate Governance Report (pages 98 to 103) is incorporated by reference into, and is deemed to form part of, this report. For the purposes of DTR 4.1.5R (2) and DTR 4.1.8R, the Strategic Report and this Directors' Report, which have been approved by the Board and are set out between pages 2 to 87 and 94 to 97 respectively, comprise the Group's management report.

Details of the Group's use of financial instruments, together with information on policies and exposure to interest rates, foreign currency, credit and liquidity risks can be found in Note 24 within the financial statements. The information included in Note 24 is incorporated into the Directors' Report and is deemed to form part of this Directors' Report.

Share Capital

As at 1 February 2025, the Company's issued share capital was £2,591,568, comprising 5,183,135,745 shares of £0.0005 each. There were no changes to the Company's issued share capital during the financial year.

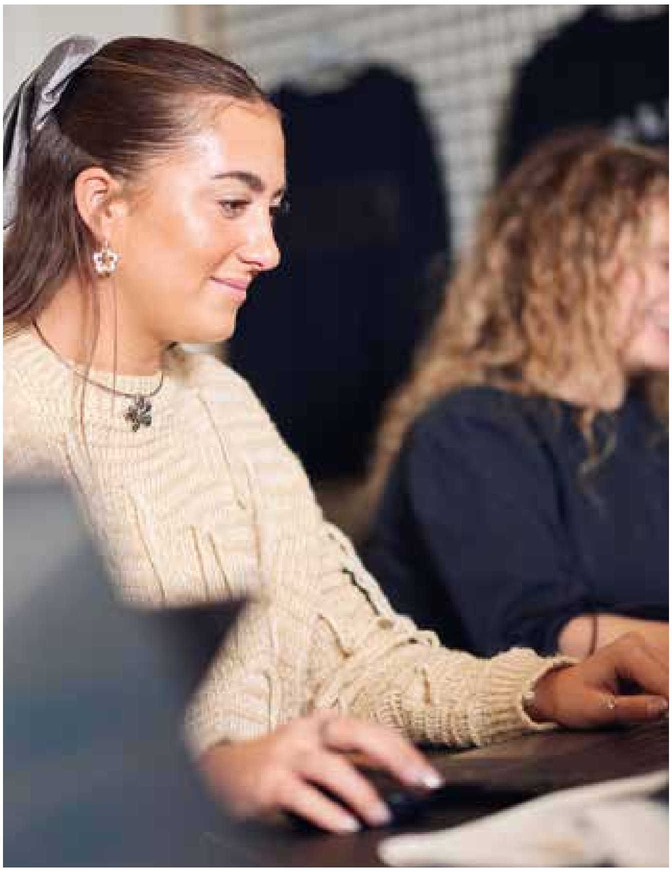
Disclosures Required Under UK Listing Rule 6.6.1R

The majority of the disclosures required under UK Listing Rule 6.6.1R are not applicable to the Company. The table sets out the location of the requirements that apply:

Information Required under UKLR 6.1.1R	Page
(11), (12) Dividend waivers	161
(13) Board Statement of Compliance with UKLR 6.2.3R	95

Share Allotment Authority
The Directors were granted authority at the 2024 Annual General Meeting ('AGM') to allot shares in the Company and to grant rights to subscribe for, or convert, any securities into shares in the Company up to a maximum aggregate nominal amount of £32,395 (which represented approximately 1.25% of the Company's issued ordinary share capital as at 3 June 2024). This authority is scheduled to lapse at the 2025 AGM. At the 2025 AGM, shareholders will be asked to grant a new allotment authority.

Shareholder and Voting Rights
All members who hold ordinary shares are entitled to attend and vote at the Company's AGM, save as set out in the Company's Articles of Association ('Articles'). On a show of hands at a general meeting, every member present in person or by proxy shall have one vote and, on a poll, every member present in person or by proxy shall have one vote for every ordinary share they hold. Subject to relevant statutory provisions and the Articles, holders of ordinary shares are entitled to a dividend where declared or to be paid out of profits available for such purposes. Details of the final dividend proposed are provided in the Dividends and Share Buyback Programme and Earning Per Share sections of this report, on pages 11 and 36 respectively.



Restrictions on Transfer of Shares
The restrictions on the transfer of shares in the Company are as follows:

- The Board may, in its absolute discretion, refuse to register any transfer of shares which are not fully paid up (but not in a manner which prevents dealings in listed shares from taking place) or which is in favour of more than four persons jointly or which is in relation to more than one class of share.
- Certain restrictions may, from time to time, be imposed by laws and regulations, for example, insider trading laws.
- Restrictions apply pursuant to the UK Listing Rules ('UKLR') and the Market Abuse Regulation ('MAR') of the Financial Conduct Authority ('FCA'). The Company has in place a share dealing policy which includes processes which must be followed to ensure that any transfer of shares activity is conducted in compliance with the MAR and the UKLR and that all Directors and certain Company employees obtain prior approval before dealing in the Company's shares.

The Company is not aware of any arrangement between its shareholders that may result in restrictions on the transfer of shares and/or voting rights.

Substantial Interests in Share Capital
As at 1 February 2025, the Company has been notified of the following significant holdings of voting rights in its ordinary share capital pursuant to the DTRs of the FCA:

	Number of ordinary shares/ voting rights held	% of ordinary share capital
Pentland Group	2,676,391,195	51.6
BlackRock	218,130,493	4.21
Fidelity Investments (Boston)	194,452,133	3.75

As at the latest date prior to the publication of this report, the Company had not been made aware of any changes to major shareholdings.

Relationship Agreement
The Company has in place a legally binding relationship agreement with its controlling shareholder, Pentland Group Limited.
The Company has complied with the undertakings included in the relationship agreement during the period under review. So far as the Company is aware, the undertakings in the agreement have also been complied with by both Pentland Group Limited and its associates during the period under review.

In accordance with UKLR 6.1.1R, the Board confirms that the Company continues to comply with the requirement under UKLR 6.2.3R to carry on the business it carries on as its main activity independently from its controlling shareholder.

Directors
Details of all persons who were Directors at the financial period end, including their roles and brief biographical details, are set out on pages 90 to 91. The following appointments and resignations occurred during the financial period:

- Mahbobeh Sabetnia resigned as Non-Executive Director on 4 July 2024.
- Prama Bhatt was appointed as Non-Executive Director on 23 September 2024.
- Suzi Williams resigned as Non-Executive Director on 1 November 2024.

The Directors are responsible for the management of the business of the Company and, subject to relevant legislation, regulatory requirements and the Articles, the Directors may exercise all of the powers of the Company and may delegate their power and discretion to Committees, as they see fit.

Directors' Report continued

There are no agreements between the Company and its Directors or employees providing for compensation for loss of office or employment (whether through resignation, purported redundancy or otherwise) that occurs because of a takeover bid.

Directors' Interests
Details of Directors' interests and those of their connected persons in the share capital of the Company are set out on page 133. This information is incorporated into this Directors' Report by reference and is deemed to form a part of it.

Directors' Indemnities
The Company maintains Directors' and Officers' liability insurance which provides appropriate cover for legal action brought against its Directors and Officers. Supplementing this insurance, the Company has also granted indemnities to its Directors and Officers to the extent permitted by law. These indemnities qualify as third-party indemnity provisions under section 234 of the Companies Act 2006. Neither the insurance or indemnity applies where the relevant Director is proven to have been guilty of fraud or wilful misconduct.

Appointment and Replacement of Directors
The Articles provide that the Company may by ordinary resolution at a general meeting appoint any person to act as a Director, provided that (where such person has not been recommended by the Board) notice is given by a member entitled to attend and vote at the meeting of the intention to appoint such a person and that the Company receives, among other information, confirmation of that person's willingness to act as a Director. The Articles also empower the Board to appoint as a Director any person who is willing to act as such. The maximum possible number of Directors under the Articles is 20. The number of Directors at any one point in time shall not be less than two.

In addition to the powers of removal conferred by statute, the Company may by ordinary resolution remove any Director before the expiration of his or her period of office.

The Articles also set out the circumstances in which a Director shall vacate office.

The Articles broadly require that at each AGM, one third of eligible Directors shall retire from office by rotation and may stand for re-election and that any Director who was appointed by the Board after the previous AGM must retire from office and may stand for election by the shareholders. Additionally, any other Director who has not been elected or re-elected at one of the previous two AGMs must also retire from office and may stand for re-election.

Notwithstanding the provisions of the Articles, the Board has determined that all the Directors will stand for re-election at the 2025 AGM in accordance with the best practice recommendations of the UK Corporate Governance Code.

Amendment of the Company's Articles of Association
The Company's Articles may only be amended by a special resolution at a general meeting of shareholders.

Results and Dividend
The Group reported profit for the financial year before tax of £715m (FY24: £811m). The Directors are recommending a final dividend for the year of 0.67p per share (FY24: 0.60p per share). This dividend is subject to shareholder approval at this year's Annual General Meeting (AGM) and will be payable on 11 July 2025 to shareholders whose names were on the Register of Members at close of business on 13 June 2025.

Change of Control – Significant Agreements
In the event of a change of control of the Company, the Company and the lenders of the £700 million bank syndicated facility shall enter into an agreement to determine how to continue the facility. If no agreement is reached within 20 business days of the date of change of control, the lenders may, by giving not less than 10 business days' notice to the Company, cancel the facility and declare all outstanding loans, together with accrued interest and all other amounts accrued immediately due and payable.

The same process will be followed by the Company and the lenders of the $1 billion Hibbett term loan facility agreement in the event of a change of control.

Employees
The People section on pages 73 to 76 provides information on the Group's approach to its people and how the Group attracts, retains and develops its employees. The Strategic Report also sets out a summary of the measures adopted by the Group to further enhance the way it engages with its employees.

We have continued our colleague engagement initiatives during the period. The focus remains on ensuring that the Group's employees are well informed about any material organisational changes in the Group and all significant matters which may affect the Group's financial performance.

In addition, a key factor in the Group's employee remuneration strategy is encouraging the involvement of all employees in the Group's performance so that every employee feels they have an important contribution to make in this regard. Full details of the Group's remuneration strategy are set out in the Remuneration Report on pages 114 to 139.

Further details on how Employee Engagement is taken into account in the principal decision-making process are set out in the Stakeholder Engagement section on page 83.

The Group is committed to promoting equal opportunities in employment regardless of age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race (which includes colour, nationality and ethnic or national origins), religion or belief, sex or sexual orientation. Recruitment, promotion and the availability of training and development within all areas of the Group are based on the suitability and merit of any applicant for the job, and full and fair consideration is always given to disabled persons in such circumstances.

Should an employee become disabled during their employment by the Group, every effort is made to continue the employment, development and training of the employee in question within their existing capacity wherever practicable, or failing that, in an alternative suitable capacity.

Further information on the Group's approach to Diversity, Equity and Inclusion can be found in the People section on page 74.

Suppliers, Customers and Others
Details of how the Directors have addressed the need to foster the Group's business relationships with its suppliers, customers and other stakeholders, and the impact of the actions taken, including on principal decisions taken during the financial period, can be found in the Stakeholder Engagement section on pages 81 to 86.

Post Balance Sheet Events
Details of post balance sheet events are provided in Note 39 of the financial statements.

Future Developments
Future developments are discussed throughout the Strategic Report on pages 2 to 87.

Political Donations and Expenditure
Neither the Company nor any of its subsidiaries has made any political donation or incurred any political expenditure during the period under review.

Research & Development
During the financial period ended 1 February 2025, the Group engaged in Research & Development activity in relation to technological advances in the Group's omnichannel solution.

Energy Consumption and Emissions
Information about greenhouse gas emissions, energy consumption and energy efficiency action are shown in the ESG Report on page 67. This information is incorporated into this Directors' Report by reference and is deemed to form part of it.

Auditor
The auditor, Deloitte LLP, has indicated its willingness to continue in office. A resolution to reappoint Deloitte LLP as auditor of the Company will therefore be proposed at the 2025 AGM.

Disclosure of Information to the Auditor
Each person who is a Director at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the Company's auditor is unaware; and
- each Director has taken all the steps that they ought to have taken as a Director to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of section 418 of the Companies Act 2006.

Annual General Meeting
The Company's AGM will be held on 2 July 2025 at the offices of Addleshaw Goddard LLP, One St. Peter's Square, Manchester, M2 3DE. The notice of this year's AGM is included in a separate circular to shareholders. This notice will be available to view on the Company's website at www.jdplc.com/investor-relations/shareholder-information.

By order of the Board

Régis Schultz
Chief Executive Officer
20 May 2025

Corporate Governance Report

Andrew Higginson
Independent Non-Executive Chair

On behalf of the Board, I am pleased to present our Corporate Governance Report for FY25. The Board promotes the principles set out in the UK Corporate Governance Code 2018 (the 'Code') issued by the Financial Reporting Council ('FRC') and this report sets out how the Company has applied the main principles set out in the Code, referring to relevant provisions of the Code, where appropriate.

The full Code can be found on the FRC website (www.frc.org.uk). The Directors consider that throughout the period under review and to the date of this report, the Company has fully complied with all Code principles and provisions.

Board Leadership
The Board's role is to ensure that the Group is led in a manner which protects the long-term interests of its shareholders, whilst balancing and promoting the interests of its other key stakeholders, including its employees and suppliers. The Board is responsible for the direction, management and performance of the Company.

The Directors act together in the best interests of the Group via the Board and its Committees. The Board held eight scheduled Board meetings during the period under review and ad hoc meetings were held in between scheduled meetings where required. Director attendance at scheduled Board and Committee meetings is set out in the table on page 100.

The Board delegates certain powers to Board Committees. There are five principal Board Committees to which the Board has delegated certain responsibilities. The Terms of Reference for all Committees are reviewed by each Committee annually and are available for inspection on request or on the Group's corporate website at www.jdplc.com/esg/governance (save for the Disclosure Committee Terms of Reference).

Board of Directors
The Board comprises nine Non-Executive Directors and two Executive Directors who set the strategy and oversee progress against strategic objectives to promote the long-term sustainable success of the Company.

Nominations Committee	Audit & Risk Committee	Remuneration Committee	Disclosure Committee	ESG Committee
The Nominations Committee's principal duties are to consider the size, structure and composition of the Board, to ensure appropriate succession plans are in place for the Board and Senior Management and, where necessary, consider new appointments to the Board and Senior Management.	The Audit & Risk Committee assists the Board in discharging its responsibilities, including assessing the integrity of financial reporting, ensuring the independence and effectiveness of external and internal audit functions and controls, and reviewing the Company's annual and half-yearly financial statements. As well as this, the Committee makes recommendations on the appointment, re-appointment and removal of the Auditor, monitors the independence of the Auditor, reviews the objectivity and effectiveness of the audit process, reviews the scope of audit and non-audit work undertaken by the Auditor and provides oversight of the Risk Management Framework and risk strategy.	The Remuneration Committee's principal duties are to determine the overall Group Remuneration Policy, and to consider remuneration packages for Executive Directors and Senior Management. The Committee also reviews the terms of Executive Director service contracts as may be required from time to time and the terms of any performance-related and/or long-term incentive schemes operated by the Group and awards thereunder.	The Disclosure Committee monitors compliance with the Company's systems and procedures as regards the identification, assessment and disclosure of inside information. The Committee reviews the steps taken to ensure the accurate disclosure of any announcement, and reviews and advises generally on the scope and content of disclosure by the Company. The Committee also decides whether information provided to the Disclosure Committee is inside information and, if so, the date and time at which that information first existed within the Company and the nature and timing of any obligatory announcement to the market.	The ESG Committee is responsible for determining ESG-related strategy, corporate risk assessments and monitoring ESG performance across the Group. Its principal duties include reviewing and providing oversight of sustainability and environmental, social and governance matters, and advising the Board on the Group's strategies, goals and commitments relating to sustainability and ESG.

Senior Leadership team
The Senior Leadership team, consisting of heads of centres of excellence and heads of business units, plays a crucial role in executing the strategy set by the Board and leading the day-to-day operations of the Group.

The Board acknowledges that over half of its members, excluding the Chair, must be independent. All Non-Executive Directors, with the exception of Andy Long, were, and continue to be, considered independent by the Board upon appointment and following assessment by the Board. Andy Long is not considered independent as his seat on the Board is as a shareholder representative.

The Chair was considered to be independent on appointment.

Shareholder Engagement
The Board is committed to open and transparent dialogue with shareholders. The Chair, Senior Independent Director and other Non-Executive Directors are available to meet with major shareholders on request. The Group ensures that it communicates the information that its investors require through Regulatory News Announcements, press releases and the Annual Report and Accounts. During the year, the Board engaged with shareholders in respect of the introduction of a new Remuneration Policy. Further details can be found in the Directors' Remuneration Report from page 114. The Board takes seriously its responsibilities to represent the interests of shareholders and to uphold the highest standards of corporate governance.

Our Annual General Meeting ('AGM'), to be held on 2 July 2025, will provide an opportunity for further engagement, for the Chair to explain the Company's progress and, alongside other members of the Board, to answer any questions.

Employee Engagement and Culture
During the period, Kath Smith, the Group's Senior Independent Director ('SID'), in her role as Workforce Engagement Non-Executive Director, provided a meaningful two-way dialogue between the Board and its colleagues. She attended periodic Global Engagement Forums to receive feedback from the workforce and understand the themes and issues important to our colleagues. Topics discussed at the forums included colleague wellbeing initiatives, the outputs of the annual Global Engagement Survey, and the proposed new vision and values for the Group. Feedback provided at these forums was relayed back to the Board by Kath Smith at Board meetings, supported by the Group's Chief People Officer, Nicola Kowalczuk. This enabled the Board to assess and monitor colleague sentiment across various engagement and cultural matters of concern to the workforce.

Should they be approved at the 2025 AGM, the changes proposed to the existing Directors' Remuneration Policy, and the impact of these changes for colleagues, will be communicated and explained at a future meeting of the Global Engagement Forum in line with Provision 41 of the UK Corporate Governance Code.

The Board remains satisfied that the culture of the Company continues to support its purpose and delivery of the strategy.

Conflicts of Interest
The Company's Articles of Association give the Board power to authorise matters that give rise to actual or potential conflicts. The Company has policies and procedures in place for identifying, disclosing, evaluating and managing conflicts of interest so that Board decisions are not compromised by a conflicted Director. Directors have a continuing duty to ensure the Board is updated on any changes to these conflicts. The Company Secretary maintains a register of conflicts. The Board evaluates all disclosures and considers the potential for conflicts before deciding whether or not to accept the conflict. The register of conflicts is reviewed annually and approved by the Board. Further information on conflicts of interest is available in the Nominations Committee Report on pages 104 to 105.

Focus for FY26
Our key focus for FY26 is to ensure that enhanced succession planning for the Board, CEO and Senior leadership team, alongside the changes made to the current Remuneration Policy, support the delivery of the Group strategy and the long-term success of the Group.

Board Activities
Key activities the Board has covered in the past year include the following:

Strategy
- Discussing Strategy Day feedback
- Approving the acquisition of entities to promote the Group's strategic vision
- Approving the disposals of assets and minority shareholder stakes in non-complementary brands
- Receiving strategy updates from management
- Approving the Group's future strategy and monitoring progress against this through the year

Stakeholder Issues
- Approving the Annual Report
- Reviewing the half-year review and results
- Regularly discussing Investor Relations reports
- Approving or recommending the payment of dividends
- Signing off on Annual General Meeting resolutions
- Reviewing the Global Engagement Survey results
- Receiving management reports on customer feedback

Operational
- Receiving updates on a range of topics such as ESG, litigation, governance, competition and health and safety
- Receiving presentations from management
- Monitoring financial performance against budget
- Assessing key supplier agreements

Governance
- Appointing a new Non-Executive Director
- Oversight of outputs from the Committees of the Board
- Reviewing and considering the outcomes from the recent external and internal Board evaluations
- Approving corporate policies
- Reviewing Committee Terms of Reference

Culture
- Engaging directly with colleagues at Global Engagement Forums, attended by the Workforce Engagement Non-Executive Director and Executive Directors
- Hosting regular Town Halls with opportunities for colleague Q&A with the Executive Directors
- Considering relevant information within monthly Board and Committee management reporting
- Reviewing the data contained within the Health & Safety Report provided at each Board meeting
- Conducting an annual review of the Group's Whistleblowing Policy and procedures
- Reviewing the results of the Global Engagement Survey
- Overseeing Diversity, Equity and Inclusion initiatives carried out across the Group
- More information on engagement with employees can be found in our Section 172 statement on page 80 and in the Stakeholder Engagement section on page 83

Corporate Governance Report continued

Attendance at Board and Committee Meetings

The table below shows Director attendance at all Board and Committee meetings that had been scheduled at the start of the reporting period. In addition to these, three meetings of the Disclosure Committee took place during the period. Attendance at Disclosure Committee meetings is not reported as these meetings are convened on an ad hoc in line with business requirements.

53 week period ended 1 February 2025	Board Meetings	Remuneration Committee	Audit & Risk Committee	Nominations Committee	ESG Committee
Andrew Higginson	8/8	–	–	3/3	–
Regis Schultz	8/8	–	–	–	3/3
Dominic Platt	8/8	–	–	–	–
Helen Ashton	8/8	6/6	6/6	3/3	–
Prama Bhatt[1]	3/3	–	–	1/1	1/1
Ian Dyson	8/8	6/6	6/6	2/2	–
Bert Hoyt[2]	7/8	6/6	–	3/3	–
Andy Long	8/8	–	–	2/2	–
Angela Luger	8/8	6/6	–	2/2	3/3
Mahbobeh Sabetnia[3]	4/4	2/3	–	–	–
Darren Shapland	8/8	–	6/6	2/2	3/3
Kath Smith	8/8	–	6/6	3/3	3/3
Suzi Williams[4]	5/5	4/4	–	2/2	–

1 Prama Bhatt was appointed to the Board on 23 September 2024. She has attended all Board meetings since her appointment.
2 Bert Hoyt was unable to attend one Board meeting due to an unavoidable diary conflict.
3 Mahbobeh Sabetnia resigned from the Board on 4 July 2024. She attended all Board meetings up to the date of her resignation. She was unavailable to attend one Remuneration Committee meeting due to a clash with an unavoidable prior commitment.
4 Suzi Williams resigned from the Board on 1 November 2024. She attended all Board meetings up to the date of her resignation.

Composition and Succession

Board Changes During the Year

In September 2024, the Board was pleased to welcome Prama Bhatt to the Board as a Non-Executive Director and member of the ESG and Nominations Committees.

Mahbobeh Sabetnia and Suzi Williams stepped down as Non-Executive Directors in July 2024 and November 2024 respectively. The Board would like to thank both Mahbobeh and Suzi for their contribution to the Group during their tenure.

Board Composition

The Board is made up of two Executive Directors, eight Non-Executive Directors and the Chair. All of the Non-Executive Directors except for Andy Long were considered to be independent on appointment and are still considered to be independent as at the date of this report. Andy Long is not considered to be independent given his role as an Executive Director at Pentland Group. In accordance with the UK Corporate Governance Code, all Directors will submit themselves for re-election at the 2025 AGM.

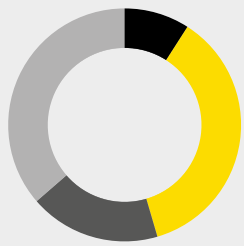
Skills, Experience, Training and Tenure

A summary of Board skills and tenure is provided on the diagrams on the next page. Further information regarding Board members' experience and qualifications is also detailed in the Board of Directors' biographies on pages 90 and 91. In addition to the skills the Directors bring to the Board, ongoing and tailored training is provided as necessary to broaden Directors' knowledge of the Group and the matters affecting it.

Board split by gender[1]

Male
Female

Board tenure[1]



0-1 years
1-2 years
2-3 years
3+ years

Board split by skill[1]

Operational/Commercial
Listed Marketing & Governance
CEO
Brand Marketing
Cyber Risk and Digital
Finance/Accounting
Property

[1]All data correct as at 1 February 2025.

Diversity

The Board recognises the importance of diversity, including gender, at all levels of the Company as well as on the Board. The Company is committed to equal opportunities and increasing diversity across our operations in terms of relevant skills, experience, ethnicity and gender. As at 1 February 2025, the Board comprises seven male Directors and four female Directors. The Board continues to consider how diversity can be enhanced through the Board and the Senior Leadership team and across the Group generally. Our Diversity, Equity & Inclusion Policy applies to the Board and its Committees. Additionally, as at the end of the reporting period, we have 36.36% female diversity at Board level and 25.00% at Senior Leadership team level. Kath Smith holds the position of Senior Independent Director ('SID'). One Director on the Board is from an ethnic minority background. With the exception of the target of 40% for female representation on the Board, the Board met the targets on board diversity set out in UK Listing Rule 6.6.6R(9) within the period.

The decrease in the level of female representation at Senior Leadership team level (FY24: 36.4%) was due to the growth of the Senior Leadership population during FY25. The level of female representation on the Board fell below the target of 40% as a result of two female Directors stepping down from the Board. The Board appointed one female Director during the year. The Nominations Committee will take into consideration the 40% target for female representation on the Board when discharging its responsibilities to review the size and structure of the Board and succession planning.

The disclosures required under UK Listing Rule 6.6.6R(10), as at 1 February 2025, are set out below:

Table for Reporting on Gender Identity[1]

	Number of Board members	Percentage of the Board	Number of senior positions on the Board (CEO, CFO, SID and Chair)	Number of Executive Management[2]	Percentage of Executive Management
Men	7	63.6	3	9	75.0
Women	4	36.4	1	3	25.0
Not specified/prefer not to say	0	0.0	0	0	0.0

Table for Reporting on Ethnic Background

	Number of Board members	Percentage of the Board	Number of senior positions on the Board (CEO, CFO, SID and Chair)	Number of Executive Management[2]	Percentage of Executive Management
White British or other White (including minority white groups)	10	90.9	4	8	66.7
Mixed/Multiple Ethnic Groups	0	0	0	0	0
Asian/Asian British	1	9.1	0	1	8.3
Black/African/Caribbean/Black British	0	0	0	0	0
Other ethnic group	0	0	0	0	0
Not specified/prefer not to say[3]	0	0	0	3	25

Corporate Governance Report continued

Table for Reporting on Gender Identity – Senior Managers[4]

	Number of Senior Managers[5]	Percentage of Senior Managers[5]
Men	40	67
Women	20	33
Not specified/prefer not to say	0	0

Table for Reporting on Gender Identity – All Employees

	Number of employees	Percentage of employees
Men	45,694	46.8
Women	50,245	51.4
Not specified/prefer not to say	1,737	1.8

1 The data provided here was gathered from members of the Board, Executive Management, Senior Management and employees from across the business via self-reporting methods including by questionnaire.
2 Executive Management is defined as the members of the JD Sports Fashion Plc Senior Leadership team, as outlined on pages 92 to 93.
3 The three members of Executive Management who provided a Not specified/Prefer not to say response are based outside of the United Kingdom. Data Protection laws within those jurisdictions prevent the collection or publication of some or all of the personal data required to be disclosed.
4 The data in this table is correct as at 31 October 2024 and aligns with the data provided by the Company in response to the latest FTSE Women Leaders Review report, published in February 2025.
5 Senior Managers are defined as employees who have sufficient responsibility for planning, directing or controlling the activities of an entity within the Group, and who report into Executive Management and their direct reports.

Division of Responsibilities

Chair	a) Leadership of the Board and ensuring its effectiveness on all aspects of its role b) To chair and set the agenda of all meetings of the Board c) To promote a culture of openness and debate, by facilitating the effective contribution of Non-Executive Directors d) To communicate with shareholders and other stakeholders
CEO	a) Responsible for the day-to-day management of the businesses of the Group in accordance with such policies and directions as the Board of the Company may determine from time to time b) To manage the Group's operations, including the development of strategic plans c) To develop and maintain good, open and transparent regulatory relationships d) To provide effective leadership of Senior Management of the Group in the day-to-day running of the Group's business and oversight of Executive meetings
SID	a) To step into the role of the Chair in the absence of the Chair b) To act as a sounding board for the Chair and to serve as an intermediary for the other Directors c) To ensure that the Chair and Group Chief Executive Officer comply with the policy on division of responsibilities d) To be available to shareholders if they have concerns that cannot be or have not been addressed, or are inappropriate to be addressed through the usual channels of the Chair, the Chief Executive Officer or the Chief Financial Officer
Non-Executive Directors	a) To bring independent oversight, specialist knowledge and experience to the Board b) To monitor Executive Management performance, and offer guidance and constructive challenge to Executive Management in the delivery of agreed goals and objectives c) To monitor the integrity of financial information produced by the Group d) To determine appropriate succession plans and levels of remuneration for Executive Directors

Succession Planning
The Board continues to work on building a succession plan for all Board and Senior Leadership team positions. Our Diversity, Equity & Inclusion Policy is embedded in our approach to recruitment at all levels, including the Board. The Nominations Committee oversees succession planning and further details are available as part of the Nominations Committee Report on pages 104 to 105.

The Board considers that all Directors are able to devote sufficient time to their duties as Directors of the Company. This continues to be demonstrated in the flexibility of the Directors to be available at key points in the financial calendar, along with unscheduled activity where necessary, and at short notice on occasion. This view was supported by the internal Board evaluation undertaken in FY24 in which no concerns were raised in respect of over-boarding.

When considering new appointments, the Nominations Committee takes the external Board commitments of all candidates into account as part of the recruitment process. In addition, the Board considers whether any new, external Board appointments proposed by current Directors of the Company pose a risk of over-boarding and whether time constraints could impact on their capacity to carry out their role effectively. When considering external Board appointments, current Directors are also encouraged to consider any factors that would prevent them from effectively fulfilling their duties, including both time requirements and any potential conflicts of interest.

Division of Responsibilities
There is a clear division of responsibility between the running of the Board by Andrew Higginson and the running of the Group's business by Régis Schultz. The table on the previous page sets out the division of responsibilities of the Board during FY25.

Diversity
The Nominations Committee understands the positive impact that diversity has on decision making and, as such, considers the diversity of the Board and its Committees when making recommendations about the appointment or removal of Board and Committee members. The Group's Diversity, Equity & Inclusion Policy applies to these appointments as it does to all Group roles.

Board and Committee Support
The Company has systems in place to ensure the Board is supplied with appropriate and timely information that helps Board members discharge their duties. We utilise a fully encrypted electronic Board portal to distribute Board and Committee papers, which also enables the efficient distribution of business updates and other resources to the Board. Board members may request additional information or variations to regular reporting as required.

The Company Secretary is responsible for advising the Board on all corporate governance and legal matters. In the event that the Company Secretary is not available, the Deputy Company Secretary assists. All Directors also have access to the advice and services of the Company Secretary, who is a fully admitted solicitor and attends all Board and Committee meetings. Directors are also able to take independent legal and professional advice when they believe it is necessary to do so.

Board Evaluation
Following the external Board evaluation facilitated by Russell Reynolds Associates during FY24, the Board deemed it appropriate to carry out an internal Board evaluation in FY25. The internal evaluation was facilitated by the Company Secretary and required all Directors to complete a questionnaire covering the same thematic areas as those used in the FY24 evaluation to enable a comparison to be made against the prior year. The evaluation required Board members to score themselves individually and the Board as a whole. The outcome of the evaluation was reviewed with the Chair and considered by the Board. The Senior Independent Director also conducted an evaluation of the Chair, meeting with other Directors to assess his performance, whilst the Chair appraised the Chief Executive Officer and the Senior Independent Director, along with the Non-Executive Directors.

Areas reported positively within the evaluation included the possession by the Board of sufficient levels of industry and financial expertise, and the right skill-sets and breadth of perspective to support good decision making. The Board also concluded that it was relatively diverse from a gender and cultural standpoint and noted that the benefits of recent changes in Board composition had begun to be felt. Areas relating to Board meetings and processes also scored positively.

One area identified as a continued opportunity for further development was the ongoing enhancement of succession plans for both the CEO and Senior Leadership team and ensuring due consideration is given to diversity as part of this exercise. The work required on succession planning has been acknowledged by the Board and is scheduled as a key area of focus for Board discussion in FY26.

The overall view was that the Board continues to remain effective. The Chair and Company Secretary agreed to put in place an action plan in response to the evaluation findings, which will be reviewed at regular intervals during the course of FY26.

Good progress has been made against key actions identified as part of Russell Reynolds' external Board evaluation undertaken during FY24. The size of the Board, which Russell Reynolds Associates advised was slightly larger than the average FTSE 100 Board, was accredited to the inclusion of Andy Long as a shareholder representative on the Board. The Board has, however, reduced in number from 12 to 11 during FY25 following the departures of Mahbobeh Sabetnia and Suzi Williams and the appointment of Prama Bhatt.

The recommendations made by Russell Reynolds in respect of Board composition have also been addressed by the appointment of Prama Bhatt, who brings experience of the US retail landscape and over 20 years' experience in omnichannel retailing.

Throughout FY25, the Board has also been engaged in discussions regarding the long-term vision and strategic options of the Group. The Board will continue to place focus on these areas during FY26, with discussions scheduled on the Board forward agenda to ensure these topics are covered on a periodic and ongoing basis.

Policies
The Company is committed to conducting business with integrity and in a respectful, honest and ethical manner. Our Whistleblowing Policy encourages employees to raise concerns where they observe or suspect misconduct. The Anti-Corruption and Bribery Policy reminds employees of our zero-tolerance approach to bribery and corruption, and supports our systems to counter bribery.

Our policies are reviewed annually by the Board and can be found on our corporate website at www.jdplc.com/esg/our-policies.

This report was approved by the Board and signed on its behalf by:

Andrew Higginson
Chair
20 May 2025

Nominations Committee Report

Andrew Higginson
Chair of the Nominations Committee

Nominations Committee members as at 1 February 2025	Meetings attended
Andrew Higginson (Chair)	3/3
Helen Ashton	3/3
Prama Bhatt[1]	1/1
Ian Dyson[2]	2/2
Bert Hoyt	3/3
Andy Long[2]	2/2
Angela Luger[2]	2/2
Darren Shapland[2]	2/2
Kath Smith	3/3
Suzi Williams[3]	2/2

1 Prama Bhatt was appointed to the Committee on 23 September 2024.
2 Ian Dyson, Andy Long, Angela Luger and Darren Shapland were appointed to the Committee on 27 June 2024.
3 Suzi Williams resigned from the Board on 1 November 2024.

The financial period ended 1 February 2025 has resulted in a number of changes to the composition of the Board. Prama Bhatt joined the Board as an Independent Non-Executive Director in September 2024. With over 20 years' experience in omnichannel retailing, leading digital and e-commerce teams, Prama brings a range of skills, knowledge and experience to the Board, including a deep understanding of the US retail landscape.

Mahbobeh Sabetnia and Suzi Williams stepped down from the Board in July 2024 and November 2024 respectively. We are grateful to both Mahbobeh and Suzi for their time and contributions during their tenure, and wish them every success as they move on to pursue other ventures.

As Chair of the Board and Chair of the Nominations Committee, my focus remains on ensuring that the Board has the appropriate balance and depth of skills, knowledge, experience, market expertise, consumer insight, diversity and independence. I am pleased with the strength and the composition of the current Board and the contribution made by our newer Board members so far.

Key Responsibilities
The Committee's principal duties are to consider the size, structure and composition of the Board, to ensure appropriate succession plans are in place for the Board and Senior Management and, where necessary, consider new appointments to the Board and Senior Management team. The matters delegated to the remit of the Nominations Committee include Board structure, succession planning and the performance of the Board and Senior Management. The Committee's Terms of Reference, detailing the full extent of the Committee's roles and responsibilities, are available on our corporate website.

Committee Membership
All Non-Executive Directors serve as members of the Committee. In accordance with Provision 17 of the UK Corporate Governance Code, the majority of the members of the Nominations Committee are Independent Non-Executive Directors. The Committee is chaired by the Chair of the Board except when the Committee is dealing with the appointment of a successor to the Chair of the Board.

Responsibilities
The Committee's main responsibilities include:

- regularly reviewing the structure, size and composition of the Board and making recommendations to the Board with regard to any changes;
- giving full consideration to succession planning for Directors and Senior Management and overseeing a diverse pipeline for succession;
- keeping the leadership needs of the Group under review with a view to ensuring the continued ability of the Group to compete effectively in the market;
- recommending to the Board the procedures for authorising conflict matters, including those arising for any Director; and
- identifying and nominating, for the approval of the Board, candidates to fill Board and Senior Management vacancies when they arise, taking into account a candidate's other commitments and ensuring a candidate has sufficient time to take on the role.

The Committee's duties and responsibilities are set out in its Terms of Reference, which are reviewed annually. These are available on the corporate website.

Meetings
The Committee held three scheduled meetings during the financial year and the table on the previous page provides details of members' attendance at those meetings. At the invitation of the Chair of the Committee, other regular attendees, who can withdraw as necessary, are permitted to attend for all or part of any meetings as and when appropriate. Other individuals present at meetings during the period included the Group General Counsel & Company Secretary and the Deputy Company Secretary.

Board and Committee Activities 2024/25
Non-Executive Director Recruitment
The following Board change took place during the year and was supported by the Nominations Committee through a series of formal and transparent procedures.

The Group announced the appointment of a new Non-Executive Director, Prama Bhatt, with effect from 23 September 2024. Russell Reynolds Associates, an independent, external search advisory firm with no other connection to the Group or any of its Directors, was engaged to assist in identifying suitable external Board candidates, based on a comprehensive candidate specification that aligned the role brief to the desired Board and Committee composition with reference to the skills matrix, Diversity, Equity & Inclusion Policy and experience required.

Prama is the Group's first US-based Non-Executive Director which is of particular value given that the US represents 40% of the business following the acquisition of Hibbett, Inc., and the Group's future ambitions within the US. Prama brings a wealth of experience to her role at the Group, having over 20 years of experience in omnichannel retailing, leading digital and e-commerce teams.

Succession Planning
The Committee regularly reviews the skills, experience, composition, structure and diversity of the Board and its Committees. Consideration is given to current strategy, challenges facing the Group and future opportunities. The Board has continued working to address recommendations from the previous external evaluation and the Committee continues to regularly review the skills matrix to ensure that the Board and its Committees have the necessary skill-sets required for continued success.

During FY25, the Committee conducted a thorough succession planning review of the Senior Leadership team, which was carried out on behalf of the Committee by the Chief Executive Officer. All Board members were invited to partake in the review. Feedback will be provided and considered during FY26, with focus to be placed on ensuring appropriate succession plans are in place for key senior positions and strengthening a diverse internal pipeline.

"The Committee will continue to focus its priorities on Board and Senior Leadership team succession planning, ensuring a strong and diverse pipeline of future leadership is in place to deliver the Group strategy."

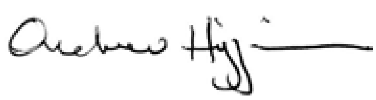
Diversity, Equity and Inclusion
Our Diversity, Equity & Inclusion Policy is embedded in our approach to recruitment at all levels, including the Board. The objectives of the policy are to:

- create a working environment that promotes equality and opportunity for all;
- create an environment free of bullying, harassment, victimisation and discrimination;
- ensure the JD Group is representative of all sections of society;
- support colleagues to reach their full potential with personal and professional development;
- ensure fairness by continuously reviewing employment practices and procedures to remove bias; and
- regularly monitor colleague fedback and voluntarily provide diversity data to support the commitments set out within the policy.

The policy provides that all employees are treated fairly and equally regardless of age, disability, gender identity, marriage and civil partnerships, pregnancy and maternity, race (which includes colour, nationality and ethnic or national origins), religion or belief and sex or sexual orientation. Further information on the Group's approach to Diversity, Equity and Inclusion can be found in the People section on page 74.

Appointments to the Board, Committees and other positions within the Group are made on merit according to the balance of skills and experience offered by prospective candidates. We acknowledge the benefits of diversity in all its forms and we will continue to strive to make our Board and Senior Leadership team more representative of our diverse workforce. We actively support a culture of inclusion, to ensure that all employees are valued, treated fairly and equally, and treated with dignity and respect. We satisfy the Parker Review recommendation to have at least one Board member from an ethnic minority background.

Focus for FY26
Our key focus for FY26 is to continue overseeing the development of succession planning for the Board, CEO and Senior Leadership team, ensuring the promotion of internal talent and encouraging a diverse pipeline.



Andrew Higginson
Chair of the Nominations Committee
20 May 2025

Audit & Risk Committee Report

Helen Ashton
Chair of the Audit & Risk Committee

Audit & Risk Committee members as at 1 February 2025	Meetings attended
Helen Ashton	6/6
Ian Dyson	6/6
Darren Shapland	6/6
Kath Smith	6/6

The last 12 months have seen continued progress in improving the Group's governance position under the stewardship of the Audit & Risk Committee.

Although we are only part way through a multi-year journey, we are encouraged by the ever evolving quality and commitment of the JD team which is leading the programme to deliver a control and risk environment that is appropriate and proportionate for the Group.

The FY26 priority areas for the Audit & Risk Committee are:

- **preparing for enhanced disclosures under Provision 29;**
- **preparing for assurance of Corporate Sustainability Reporting Directive ('CSRD') metrics;**
- **continued oversight of the Finance Transformation programme focused on enhancing capability, systems and processes;**
- **embedding the Group Risk Management Framework including deep dives of the Group's key risks;**
- **continued build out of the Group Internal Audit function coupled with embedding the Group's three lines of defence; and**
- **oversight of the IT General Controls ('ITGC') programme.**

Role of the Committee
The Committee's main responsibilities include:

- monitoring the Group's financial reporting process and the integrity of the financial statements, and any significant financial reporting judgements;
- reviewing and challenging the adequacy and effectiveness of the Group's internal financial controls (that is, the systems established to identify, assess, manage and monitor financial risks);
- monitoring the effectiveness of the Group's internal control and risk management system and, where applicable, Internal Audit;
- reviewing the objectivity and effectiveness of the audit process and reviewing the scope of the audit and non-audit work undertaken by the External Auditor;
- evaluating and challenging the External Auditor's role, work and effectiveness;
- monitoring the work of the Internal Audit function, including reviewing the planned activities and receiving reports from the Group Head of Assurance;
- overseeing compliance with applicable legal and regulatory requirements, including monitoring ethics and compliance risks;
- monitoring the assurance of the annual and consolidated sustainability reporting, where applicable; and,
- monitoring the financial and, where applicable, sustainability reporting process.

The Committee's duties and responsibilities are set out in its Terms of Reference, which are reviewed annually. These are available on the Group's website.

Membership
The Committee is made up of a minimum of three members. All members should be Independent Non-Executive Directors of the Company. The Chair of the Board is not permitted to be a member of the Committee but may attend its meetings by invitation. For the purposes of the UK Corporate Governance Code 2018 (the 'Code'), the Chair of the Committee, Helen Ashton, qualifies as a person with recent and relevant financial experience. The Committee as a whole has deep competence relevant to the sectors in which the Group operates.

Full details of the skills and experience of the Committee members can be found on pages 90 to 91.

Meetings
The Committee meets at least three times a year, to coincide with key dates in the financial reporting and audit cycle, and otherwise as the Chair requires. To enable it to carry out its responsibilities, the Committee has an annual rolling agenda, which is maintained by the Company Secretary, and regularly reviewed in conjunction with the Chair of the Committee. This ensures that the agenda for each meeting aligns with both the financial reporting and audit cycle, as well as particular matters arising throughout the year considered appropriate by the Committee for its scrutiny. The Company Secretary also maintains a tracker of actions arising from meetings. At the next scheduled Board meeting, the Chair of the Committee reports formally to the Board on the proceedings of the Committee, including how it has discharged its responsibilities. The Committee held six scheduled meetings during FY25 and the above table provides details of each members' attendance at those meetings.

At the invitation of the Chair of the Committee, other regular attendees, who can withdraw as necessary, joined some or all of the meetings: these included the External Auditor, the Chair of the Board, the Chief Executive Officer, the Chief Financial Officer, the Group Finance Director, the General Counsel & Company Secretary, the Group Head of Assurance, the Chief Technology Officer and the Deputy Company Secretary. The Committee held regular private meetings with the External Auditor and the Group Head of Assurance during the year.

Committee Evaluation
During the course of the year, an internal Board evaluation was conducted. Further detail on this can be found on page 103. The effectiveness of the Committee was assessed as part of this evaluation and was found to be operating effectively.

Key Activities of the Committee During the Year

Financial Reporting
- Monitored the effectiveness of the financial reporting process, including review of the Company's annual and half-yearly reports and preliminary announcements alongside reports from management and the External Auditor.
- Considered and reported to the Board on significant financial reporting issues and judgements contained in them, and submitted recommendations and proposals to ensure the integrity of the financial reporting process.
- Reviewed the clarity and completeness of disclosures in the financial reports and statements and considered whether the disclosures made were set properly in context.
- Reviewed the key judgements and financial statement disclosures in respect of the Hibbett and Courir acquisitions.
- Reviewed the planning and progress of the Group finance transformation programme to ensure the project was appropriately resourced and planned, and progressed against the plan.
- Reviewed the Annual Report and Interim Financial Statements.
- Reviewed the assessment of going concern and the viability statement in respect of these financial statements.
- Concluded that these Annual Reports and Accounts, when taken as a whole are fair, balanced and understandable, and provide sufficient information to enable the reader to assess the Group's position and performance.
- Reviewed the Group's insurance position.
- Reviewed and approved the treasury, tax and related party policies.

Internal Controls
- Kept under review the adequacy and effectiveness of the Group's internal financial controls (that is, the systems established to identify, assess, manage and monitor financial risk) and risk management systems.
- Oversaw the Group's progress in improving the effectiveness of Internal Control over Financial Reporting ('ICFR') and IT General Controls ('ITGC'). Further information regarding ICFR is included in the Financial Reporting Controls section later in the report. Further information regarding ITGCs are covered in the IT General Control section later in this report.
- Considered reports from the External Auditor on progress and the results of the External Auditor's testing of controls as part of the External Auditor's work.
- Reviewed the adequacy and security of the Group's Speak Up policy arrangements whereby staff and contractors of the Group may, in confidence, raise concerns about possible improprieties in financial reporting or other matters, and monitored any incidences of reports made under the policy.
- Reviewed and approved the Group's tax strategy and tax policy.

Risk Management
- Reviewed and approved the Group Risk Management Framework.
- Oversaw changes to Key Risk Areas in the period, to better align to the Executive structure.
- Considered future plans and the roadmap for embedding Risk Management both at Group level and within Business Units.
- Reviewed the resourcing model for Risk Management and approved funding to develop our internal capability.
- Considered appropriate systems and tools to support the development of effective Risk Management processes.
- Reviewed progress against the Risk Management Framework and deep dives into the Group's key risks, including on cyber and data protection.
- Reviewed progress on compliance with Provision 29 and entity level controls.
- Reviewed and approved risk appetite statements for each of the Key Risk Areas.
- Considered the appropriateness of the identified principal risks and uncertainties (see pages 44 to 53).

Internal Audit
- Reviewed and approved the annual schedule of work of the Internal Audit function.
- Considered benchmarking information on resource requirements for the Group-wide Internal Audit function.
- Received reports on the results of Internal Audit's work on a periodic basis and assessed the adequacy of management actions required.
- Reviewed and approved the Internal Audit Charter, which was formulated via a comprehensive risk assessment involving senior management.
- Considered and approved any changes required to the annual plan of work.
- Received reports on any overdue management actions and requested updates from the Executive where appropriate.
- Considered any reports of fraud highlighted by Internal Audit which could relate to a breakdown in controls.
- Monitored and reviewed the effectiveness of the work of the Internal Audit function through the receipt of regular reporting, confirming the progress made against the Internal Audit plan and the status of management actions, and updates on capacity within the function, including any resourcing needs.
- Held a closed session with the Group Head of Assurance without members of the Executive team present.

External Audit
- Oversaw the relationship with the External Auditor, including agreeing remuneration, terms of engagement and scope of, and plan for, the annual audit.
- Monitored the audit of the Company and Consolidated Financial Statements, ensuring an effective and high-quality audit was conducted.
- Assessed the External Auditor's independence and objectivity, and the effectiveness of the external audit process.
- Ensured co-ordination with the activities of the Internal Audit function and evaluated the risks to the quality and effectiveness of the financial reporting process in light of the Auditor's communications with the Committee.
- Reviewed, and oversaw the application of, the Group's formal policy on the provision of non-audit services by the External Auditor, as described further from page 141.

Governance
- Conducted an annual review of the Committee's Terms of Reference.
- Reviewed the outcomes of an internal evaluation of the Committee's performance to ensure it is operating effectively.
- Compiled a report describing the roles and responsibilities of the Committee and the actions taken by the Committee to discharge these responsibilities for inclusion in the Annual Report and Accounts.

Audit & Risk Committee Report continued

Significant Financial Reporting Matters and Judgements
The Committee considered the following significant issues during the year. As part of these considerations, the Committee received updates from management and sought assurance from the Internal and External Auditors. The Committee was satisfied with how each of the significant issues discussed were addressed.

Area of Focus	Actions taken
Liabilities in respect of the Genesis (US Group) Put and Call Option The accuracy and valuation of the Genesis put and call gross obligation	The Committee considered management's calculations of the measurement of liabilities in respect of the Genesis put and call option agreement, including the EBITDA forecasts, growth rates and discount rates used in these calculations. The Committee reviewed the disclosures made in Note 1 of the Consolidated Financial Statements in relation to key sources of estimation uncertainty in this regard. The Committee was satisfied that liabilities for potential future payments had been accounted for appropriately and that the disclosures made under IAS 1 'Presentation of Financial Statements' were appropriate. For further information, see Note 25 to the Consolidated Financial Statements.
Goodwill, Intangibles, and Store Impairments Estimates and judgements in relation to goodwill impairment testing	The Committee reviewed and challenged management's impairment testing of goodwill, intangibles and the Group's portfolio of store cash-generating units. The Committee considered the key assumptions and methodologies for both value-in-use models and fair value measurements to conclude on the appropriateness of the impairment losses recognised. This included challenging projected growth rates, cash flows and discount rates. The Committee also reviewed the impairment disclosures, including sensitivities. For further information, see Notes 13 and 14 to the financial statements.
Going Concern and Viability The going concern assessment and viability statement	The Committee undertook a detailed review of the financial liquidity of the business over the twelve months from the date of the accounts and the formal viability assessment period of three years, taking into account cash flows, current levels of debt and the availability of future finance. The viability assessment was discussed by the Committee in January 2025 and scenarios to be stress-tested through the business's corporate plan were agreed. The outcomes of scenarios, stress-tests and further enquiries were discussed and concluded in April 2025. See Going Concern and Viability Statement on page 53.
IFRS 16 'Leases' Accounting for the Group's lease arrangements under IFRS 16	The Group has over 7,000 leases which are accounted for under IFRS 16 'Leases'. The Group's Business Units continue to report their results to the Group under IAS 17, the previously applicable accounting standard. IFRS 16 overlay adjustments are manually posted in the consolidation in order to reverse the legacy accounting and record right-of-use assets and lease liabilities as required by IFRS 16. This process is complex, given the number of leases. The Committee has reviewed the process management adopts to ensure the IAS 17 accounting has been appropriately eliminated.
Acquisition accounting Accounting for the Group's acquisitions of Hibbett and Courir	The Group has acquired Hibbett and Courir in FY25. To account for the acquisitions, management performed valuations of the consideration payable and the identifiable assets and liabilities, as at the acquisition date. The Committee reviewed management's judgements and estimates for both purchase price allocations, including forecast cash flows, the applicable discount rate used in valuations and the disclosures provided in the financial statements. It concluded they were appropriate.
Alternative Performance Measures The Group uses Alternative Performance Measures ('APMs') and includes additional disclosures, including reconciliations to statutory measures	The Committee considers it important to take account of both the statutory measures and the APMs when reviewing these financial statements. In particular, adjusting items excluded from Operating Profit and Profit before Tax were reviewed by the Committee and it is satisfied that the presentation of these items is clear, applied consistently across years and that the level of disclosure is appropriate. The total adjusting items charge this year was £208million (2024: £155million). Adjusting items are detailed on page 168. The Committee gave particular attention to ensure the Group's APMs are not presented in ways that give them greater prominence than amounts stemming from the financial statements; that specific, tailored explanations for the inclusion of individual APMs are provided; and that APMs are reconciled to the most directly reconcilable line items. See Note 4, Adjusting Items, and page 246, APMs.

Key Developments During the Year
JD Sports Fashion Plc has been on a journey of governance and controls improvements and, as highlighted in last year's report, this will be a multiyear journey. During the year, the Group has continued to make good progress, with the Audit & Risk Committee overseeing:

- the expansion of the Group Finance team in both size and experience to improve the efficiency of the reporting and audit cycle in FY25 and beyond, and consistency of accounting across the Group;
- continued delivery of new Group consolidation, lease accounting and treasury management finance systems, the benefits of which will be delivered in FY26;
- progress in addressing the prioritised deficiencies within the ICFR programme;
- the development of a prioritised programme to enhance IT General Controls;
- the development and embedding of Regional ICFR Boards, chaired by Regional CFOs, to drive progress on controls remediation, and embed the operation of controls across the business;
- the roll-out of the Risk Management Framework to the wider business, via a series of divisional risk workshops, and Group key risk deep dives at the Audit & Risk Committee; and
- accelerated expansion of the Internal Audit function to deliver an appropriately broad Internal Audit programme.

Assessment of the Effectiveness of the Group's System of Internal Controls and Risk Management

Risk Management
As outlined on page 44, the Group has established a framework for risk management and continues to embed it across our operations. The Board, in conjunction with management, is responsible for determining risk appetite and managing risk mitigation. The Audit & Risk Committee has delegated authority to monitor and evaluate the effectiveness of the internal controls relied on for risk mitigation.

Financial Reporting Controls

The Corporate Governance Transformation programme, which concluded at the end of FY24, handed over a number of ICFR open deficiencies for remediation into business-as-usual. During FY25, the Group adopted a phased sprint approach to remediate the ICFR deficiencies, with a focus on remediating critical, high and medium priority deficiencies, and substantial progress has been made in remediating these at the current period end. These sprints were supported by a robust governance framework, including Finance Risk Meetings and Regional ICFR Boards, to ensure effective ownership, oversight, prioritisation and resolution of identified deficiencies.

Additional highlights from the ICFR programme include the following:

- Governance Structures: Finance Risk Meetings chaired by the Group CFO, and Regional ICFR Boards chaired by Regional CFOs, are critical in driving progress on controls remediation, and monitoring the embedding of controls.
- Toolkit Roll-out: A Financial Controls Toolkit, aligned to the Group Risk Management Framework, describes the key financial reporting processes and the controls needed to manage reporting risks. A key benefit of the toolkit is its role in training colleagues on the operation of controls, ensuring consistency in application and serving as a useful resource for onboarding new staff. The toolkit forms the foundation for further roll-out to all Business Units, standardising control practices across the Group.
- Sustainable Operation of Controls: A key focus has been ensuring the sustainable operation of remediated controls.
- Processes have been established to monitor ongoing control effectiveness through monthly confirmations from control owners and regular reviews at Finance Risk Meetings.

Timelines and Next Steps; FY26 Focus:

- Extending the ICFR framework to cover all Group entities, including those currently outside the scope of the initial programme and newly acquired businesses. The entities currently in the ICFR scope cover 89% of Group Revenue. The original scope of ICFR entities was determined through a materiality assessment of the FY22 results.
- Launching second-line assurance activities to independently validate the operation of controls and provide recommendations for control environment improvements.
- Embedding training initiatives to strengthen the accountability and awareness of control operations across the finance function.

While significant progress has been made, certain areas, particularly IT-related deficiencies, require further remediation before full reliance on remediated business controls can be achieved.

IT General Controls

In FY25, we turned our attention to the wider IT General Control environment.

Therefore, during the year, the Group has invested and established a structured remediation programme, led by the new Chief Technology & Transformation Officer ('CTTO') and a newly appointed Chief Information Security Officer to drive progress and address key deficiencies. This programme focuses on five core workstreams:

1. Information Technology Governance, Risk and Compliance ('IT GRC'): Establishing policies, standards and frameworks to strengthen IT governance and ensure alignment with regulatory and business requirements.
2. Identity and Access Management ('IAM'): Enhancing controls over system access to ensure that only authorised individuals can access systems and data required for their role.
3. Resilience and Recovery: Improving the Group's ability to recover IT operations in the event of IT or cyber incidents.
4. IT Change Management: Ensuring that changes to systems are appropriately managed, authorised and monitored to minimise disruption and risks.
5. Quick Wins and Tactical Remediation: Implementing targeted fixes to address the most critical deficiencies while laying the groundwork for longer-term improvements.

Timelines and Next Steps; FY26 Focus:

- Remediation of critical ITGCs: Prioritising the resolution of deficiencies that directly impact financial reporting.
- Strengthening governance: Improving programme governance to provide oversight, ensure alignment with strategic objectives, and monitor progress effectively.
- Deployment of foundational IAM capabilities: Deploying tools to improve privileged access management, focusing on systems critical to financial processes.
- Establishing a solid governance and Risk Management Framework: Finalising policies and governance frameworks to ensure ITGCs are standardised, consistent and applied group wide.

Management remains committed to addressing ITGC deficiencies and embedding sustainable controls across the Group. Progress updates will be regularly reviewed by the Audit & Risk Committee to monitor progress and ensure accountability and transparency.

Audit & Risk Committee Report continued

Provision 29 Readiness and Non-Financial Controls
For listed companies with financial years starting on or after 1 January 2026, Provision 29 in the 2024 UK Corporate Governance Code comes into effect. Provision 29 considerably expands the disclosures companies need to make in their Annual Report on internal controls. From FY27 onwards, the Directors of the Company must comply (or explain) with Provision 29 in the following ways:

- Making a declaration in the Annual Report on the effectiveness of material controls at the balance sheet date. Provision 29 determines material controls to cover financial, reporting, compliance and operational controls.
- Describing any material controls that have not operated effectively, along with actions (taken or planned) to improve them.

The Group will comply with Provision 29 or will provide a cogent explanation where this is not possible. Management is taking a risk-based approach, aligned to the Group's Risk Management Framework.

Key steps completed on the Group's readiness for Provision 29:

- **Aligned Approach:** Management has an aligned approach, linking material controls to the Group's highest rated risks, per the Group Risk Management Framework.
- **Assurance Framework:** Development of an embedded assurance framework to provide the Board with confidence on the effectiveness of controls.
- **Dry-Run Evaluation:** A pilot disclosure process is planned for FY26 to test readiness ahead of the FY27 compliance deadline.

The Provision 29 readiness work above is supported by initiatives to enhance non-financial controls, including the following:

- **Entity-Level Controls ('ELCs'):** In FY25, the Group continued its work to refine and assess the design of ELCs, focusing on alignment with the COSO framework and ensuring these controls effectively support governance and risk management objectives. Action plans are in place to strengthen areas identified for improvement, and progress is being closely monitored by the Executive Risk Committee. The assessment of ELC operational effectiveness will form part of the Group's ongoing Provision 29 compliance efforts.
- **Cyber Security:** Continued evaluation of lessons learned from cyber incidents.
- **Fraud Risk Assessment:** The FY24 assessment has been updated to ensure compliance with the Economic Crime and Corporate Transparency Act. Identified gaps are in the process of being remediated.

Assessment Conclusions and Next Steps
The Committee acknowledges that, while progress has been made in enhancing the Group's control environment, the journey to maturity continues. For FY26, priority areas include:

- monitoring ongoing roll-out and embedding of IT General Controls sustainably across the Group;
- completing roll-out and embedding of the new Group reporting systems within the Finance Transformation programme;
- preparing for enhanced disclosures under Provision 29, including piloting the required attestation framework;
- reviewing reports of second-line testing on financial controls to evaluate their design and operational effectiveness;
- further embedding of Risk Management Framework and deep dives into the Group's key risks; and
- continuing to build the Group Internal Audit function.

The Group remains committed to building a robust internal control framework to support long-term strategic objectives.

The role of Internal and External Audit
Internal Audit
The Group's Internal Audit function, which provides independent assurance to the Board on the Group's risk management and internal control framework, has regularly provided input into Committee meetings. The Group Head of Assurance has direct access to, and regular meetings with, the Chair of the Committee, and attends all meetings of the Committee. A private meeting of the Committee and the Group Head of Assurance was held during the year to provide an opportunity for feedback without the Executive Directors present.

In addition, the Internal Audit function has unrestricted access to employees and documentation across the Group to enable it to perform its duties. There are also arrangements in place to enable the function to commission the support of technical experts and other additional support as required. During the year, the Committee monitored progress of the Internal Audit function against the Internal Audit Plan and ensured that the function had sufficient resource to carry out its duties effectively. The Committee is satisfied that the Internal Audit function has continued to perform effectively during the year.

External Audit
An audit services tender by the Committee is carried out at least every 10 years, as required by law, to safeguard the independence of the External Auditor. Deloitte was appointed as the Group's External Auditor effective 29 January 2023, following a full and competitive tender process, and was re-appointed as auditor at the Annual General Meeting in July 2024. The lead audit partner is Jane Boardman, who has been in place since the FY24 audit.

The Company has complied with the provisions of the Statutory Audit Services for Large Companies Market Investigation (Mandatory Use of Competitive Tender Processes and Audit Committee Responsibilities) Order 2014. In discharging its responsibilities, the Committee has met the recommendations set out within the FRC's Audit Committees and External Audit: Minimum Standard.

During the year, the Committee assessed the quality and effectiveness of the Auditor, having particular regard to:

- the External Auditor's understanding and insights into the Group's business;
- the External Auditor's approach to key areas of judgement, the extent of challenge and the quality of reporting;
- the quality of controls in place to deliver the audit and how the agreed audit plan was delivered;
- the External Auditor's independence and objectivity, in particular through its assessment of the length of tenure of the External Auditor and lead audit partner, the value of fees for non-audit work carried out by the External Auditor, and the overarching relationship between the Company and the External Auditor;
- the safeguards put in place by the Committee and the External Auditor to avoid any compromise of the independence and objectivity of the External Auditor;
- management's feedback on the External Auditor; and
- private sessions with the External Auditor without management present.

Following an examination of the above factors, the Committee is satisfied that the audit, as carried out by the External Auditor, is effective and demonstrates appropriate, independent and objective professional scepticism and challenge to management's assumptions.

Non-Audit Fees
During the period, the Committee reviewed the Company's policy on engagement of the External Auditor for the provision of non-audit services. It continues to oversee the process for approving non-audit work provided by the External Auditor to safeguard the objectivity and independence of the auditor and comply with the FRC Revised Ethical Standard 2024.

The non-audit service fees incurred totalled £11k, which related to agreed upon procedures in Spain to verify the 2023 and 2024 Annual Packaging Declaration submitted by Deporvillage S.L. to Ecoembalajes España, S.A., and agreed upon procedures for the Sprinter 2024 Annual Packaging Declaration.

This equates to a non-audit to audit fee ratio of 0.1%. We continue to ensure the level of non-audit fees is compliant with the Company's 70% non-audit fee cap rule. The Committee has concluded that the provision of non-audit services has not compromised the External Auditor's independence and objectivity.

Fair, Balanced and Understandable
At the request of the Board, the Committee has considered whether, in its opinion, this Annual Report and Accounts, taken as a whole, is fair, balanced and understandable, and whether it provides the information necessary for shareholders to assess the Company's position, performance, business model and strategy. The Committee is responsible for reviewing the Group's draft financial statements prior to Board approval. As part of such review, the Committee considers whether suitable accounting policies have been adopted and whether appropriate judgements have been made by management. The Committee also considers whether appropriate disclosure of significant estimates and judgements have been made along with other key matters during the financial period. The Committee reviews reports by the External Auditor on the full year results. The significant issues considered as a Committee were consistent with those identified by the External Auditor.

Anti-Bribery and Corruption
The Group strives to conduct itself in all areas and at all levels in an ethical manner. The Group takes a zero-tolerance approach to bribery and corruption, amongst its employees, suppliers and any associated parties acting on the Group's behalf, and this is very clearly documented in the way that it contracts with any such third parties. The Group has a detailed Anti-Bribery and Corruption Policy and is committed to acting professionally, fairly and with integrity in all its business dealings.

The Audit & Risk Committee would like to thank all of the JD team involved in the Group's corporate and financial reporting, risk and controls teams for their immense effort and leadership this year as we continue to evolve JD for the future.

Helen Ashton
Chair of the Audit & Risk Committee
20 May 2025

ESG Committee Report

Darren Shapland

Chair of the ESG Committee

ESG Committee members as at 1 February 2025	Meetings attended
Angela Luger	3/3
Prama Bhatt[1]	1/1
Theresa Casey	3/3
Régis Schultz	3/3
Darren Shapland	3/3
Kath Smith	3/3

1 Prama Bhatt was appointed to the ESG Committee with effect from her date of appointment as a Director on 23 September 2024.

I am delighted to introduce the ESG Committee Report for FY25, my first as Chair of the ESG Committee ('Committee'). I would like to thank my predecessor, Angela Luger, for her leadership of the Committee since its inception in December 2023. During its first full year in operation, the Committee has provided oversight of the Group's ESG activities to ensure that the Group continues to demonstrate its commitment towards delivering its ESG strategy. In FY25, this has included performing a periodic review of ESG performance metrics, oversight of the Group's Task Force on Climate-related Financial Disclosures ('TCFD'), and oversight of the work undertaken by the Group with its education and charity partners and the impact of their activities upon communities and young people. The Committee received regular updates on current trends and developments within the ESG regulatory landscape and considered the impact of these changes upon the Group, most notably those brought about by the implementation of the Corporate Sustainability Reporting Directive ('CSRD'). With the emerging regulatory requirements in respect of CSRD, the Committee deemed it appropriate to update its Terms of Reference during the year to reflect the additional responsibilities it now holds. These include monitoring the implementation of CSRD strategy across the Group and ensuring an appropriate compliance framework is in place.

Key Responsibilities
The Committee provides oversight of the ESG activities of the Group, performance against the ESG strategic initiatives, and ensures that ESG activities complement the wider ESG strategy of the Group. The Board has delegated ownership for oversight of the ESG strategy to the Committee. The Committee's full Terms of Reference outlining the full extent of the Committee's roles and responsibilities are available on our corporate website.

The ESG Committee was formed in 2023, as a sub-committee of the Board, and reflects the desires of the Board to ensure ESG is embedded into all the Group's activities. The Committee meets no less than three times each year. The ESG Management Committee, comprising members of the Group's Management team, feeds into the ESG Committee and delivers its strategy. The Committee has a forward agenda ensuring that relevant topics are appropriately scheduled and cover the full scope of items for which the Committee is responsible. The Committee undertakes appropriate training and site visits where appropriate.

The financial year ended 1 February 2025 has seen the first full year of the Committee's work, which has focused on ensuring that agendas and management reports are of an appropriate quality to ensure that the Committee operates effectively to achieve its objectives. The Committee's role is to review and oversee the Company's strategies, goals, policies, procedures, performance and disclosures related to sustainability and environmental, social and governance matters.

Committee Membership

The Committee is chaired by Darren Shapland, an Independent Non-Executive Director. Angela Luger, Régis Schultz, Prama Bhatt, Theresa Casey and Kath Smith are members of the Committee. Angela Luger served as Chair of the Committee during the year until 4 November 2024, when Darren was appointed as Chair. All members of the Committee have relevant expertise in ESG.

Responsibilities
The Committee's main responsibilities include:

- advising the Board on the Group's strategies, goals and commitments related to sustainability and ESG;
- reviewing, updating and overseeing ESG-related policies and procedures, systems and controls for collection, management and monitoring of sustainability and ESG information;
- developing and recommending sustainability and ESG goals, KPIs, metrics, strategies, objectives and commitments to the Board, and monitoring performance against these;
- overseeing and advising the Board on sustainability and ESG-related efforts with shareholders and other key stakeholders;
- reviewing and overseeing political, charitable and community investment activities;
- recommending appropriate sustainability and ESG-related performance objectives for Executive Directors to the Remuneration Committee;
- approving ESG Management Committee membership and reviewing activity of the ESG Management Committee;
- collaborating with other Board Committees to ensure meaningful engagement with ESG issues;
- reviewing aspects of internal and External Audit reports with implications for sustainability and ESG matters;
- reviewing, overseeing and recommending to the Board sustainability and ESG-related statements and disclosures and ensuring their compliance with relevant laws and regulation; and
- monitoring the implementation of the Group's CSRD strategy.

The Committee's duties and responsibilities are set out in its Terms of Reference, which are reviewed annually. These are available on the corporate website.

Meetings
The Committee held three scheduled meetings during the financial year and the table on the previous page provides details of members' attendance at those meetings. At the invitation of the Chair of the Committee, other regular attendees, who can withdraw as necessary, are permitted to attend some or all of the meetings. These attendees included the Chief People Officer, the Group Sustainability and Procurement Director and the Deputy Company Secretary.

Key Activities of the Committee During the Year
Committee Governance
The Committee agreed an annual agenda to ensure that relevant topics are appropriately scheduled and cover the full scope of items the Committee is responsible for. In addition, the Committee conducted an annual review of its Terms of Reference and carried out a performance review on the work of the Committee.

Knowledge Enhancement
The Committee received several presentations during the year to enhance its knowledge of ESG and related matters. These included a briefing session on the scope of CSRD, horizon scanning to identify current issues, trends and changes to the regulatory landscape for ESG, and an overview of own brand usage including digital mapping of the supply chain to minimise supply chain risks around ethical sourcing.

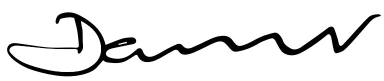
Monitoring and Verification of the Group's ESG Activities
The Committee agreed a set of performance metrics and during the year assessed ESG performance against those metrics. This included working with the Remuneration Committee to obtain feedback on proposed performance targets for remuneration.

ESG Strategy and Risk
The Committee received a summary report on ESG strategy to ensure that this was focused on the correct areas. Reports are received at each meeting to enable the Committee to monitor ESG performance against targets.

Community and Colleagues
The Committee considered the key themes and development areas arising from the Global Engagement Survey, together with a proposed action plan. Progress against actions will be monitored by the Committee. Updates on the work of the JD Foundation are received at each meeting. Further information on the work of the JD Foundation can be found on page 77.

Embedding ESG within the organisation
The Committee received a briefing on the scope of CSRD and provided input into decisions required regarding the resource and software investment required within the organisation to support the Group's compliance with the directive. The Committee also considered the details of the European Union's Omnibus proposals and the potential impact of the proposed revisions, with a view to continue monitoring the changes and transposition of the proposals by EU member states. In addition, the Committee also considered the ESG underpin metrics and targets proposed for introduction within the Group's Long-Term Incentive Plan ('LTIP') awards.

Focus for FY26
The Committee will continue to oversee the embedding of ESG across the Group, focusing on the social aspects of ESG including social mobility, the Group's Diversity, Equity & Inclusion activities and their community impact.



Darren Shapland
Chair of the ESG Committee
20 May 2025

Directors' Remuneration Report

Angela Luger

Chair of the Remuneration Committee

Directors' Remuneration Committee members as at 1 February 2025	**Meetings attended**
Suzi Williams[1]	4/4
Bert Hoyt	6/6
Helen Ashton	6/6
Mahbobeh Sabetnia[1,2]	2/3
Angela Luger	6/6
Ian Dyson	6/6

1 Suzi Williams and Mahbobeh Sabetnia resigned from the Board on 1 November 2024 and 4 July 2024 respectively.

2 Mahbobeh Sabetnia was unavailable to attend one meeting due to a clash with an unavoidable prior commitment.

Dear Shareholder,

On behalf of the Board and Remuneration Committee ('Committee'), I am delighted to introduce our FY24/25 Remuneration Report – my first since taking the role of Chair of the Committee.

The Report is set out in the following sections:

** Throughout the Directors' Remuneration Report, unless otherwise stated '**' indicates an instance of a metric which has been adjusted for use in incentives, in order to provide a better measurement of underlying performance for remuneration purposes. The metrics are based on Alternative Performance Measures (indicated by '*' throughout the Annual Report), which are defined and reconciled in the Alternative Performance Measures section from page 246.

Directors' Remuneration Policy Changes

Following my appointment as the Committee Chair on 1 October 2024, the Committee reviewed existing remuneration arrangements to ensure they remain fit for purpose. The Committee has therefore reviewed the current policy with its remuneration advisors and other stakeholders, considering various factors including the ongoing evolution of JD's strategy, the completion of our significant recent acquisitions; the external operating environment; market practices regarding Executive compensation, including alignment with the Investment Association's Principles of Remuneration; and the overall need to attract, retain and incentivise a high-quality Senior Leadership team. As a result of the review, the Committee believes the following:

- The strategic direction of our Group and its Senior Leadership team has evolved since the last policy review. There is now a heightened emphasis on integration and growth opportunities in the US market, particularly following the acquisition of Hibbett which caused significant expansion to our already substantial operations in the US. Following the acquisition of Hibbett, the US represents 40% of the business.
- This expansion necessitates a re-evaluation of our Executive remuneration structures to ensure they remain able to attract and retain top talent, particularly as we compete in the US market, where incentive models are significantly different to our current structure, which is based on FTSE 100 market standard practice.
- Following a number of acquisitions, including Hibbett and Courir, there is now also an observed inconsistency in remuneration structures across the business. While some Executives participate in a long-term incentive plan consisting of a mixture of performance and restricted share awards, the Group Executive Directors remain under the current policy, with a standard UK performance share plan. Harmonising these structures will ensure a unified approach to Executive compensation across the organisation.
- As the strategy evolves, so too do the targets which best measure our performance. It is important that the incentive structures align with the Group's strategic goals, and support long-term growth, profitability and the delivery of value from the Group's recent investments.

The conclusions above have informed the Committee's thinking as part of this year's Directors' Remuneration Policy review. Following this, the Committee is proposing a refresh of the current policy, in order to ensure that the key drivers and talent are motivated appropriately and remain in place to deliver future growth. A summary of the changes can be found on page 119 with the full text of the proposed Policy on pages 120 to 127.

Group Performance

Despite the challenging market, the Group increased revenue on a constant currency basis by 12%, with organic revenue growth of 6%. Profit before tax was in line with our January guidance, at £923m. The Group delivered a 48% gross margin, excluding the impact of acquisitions, despite operating in an increasingly promotional market. The Group also concluded two important acquisitions in key markets, with the completion of Hibbett in the US and Courir in Europe.

How the Policy was implemented during the Financial Year

Annual Bonus

The annual bonus was measured against the KPIs set out in the 2024 Annual Report. In summary, the actual outcome against each KPI is as follows: Group Profit Before Tax and Adjusting Items** for the year was £926.4 million, Group Revenue** was £10,766.1 million and Net cashflow before dividends, financing, acquisitions and disposals* was £339.5 million. This resulted in an outcome of 0% of maximum under the Profit Before Tax and Adjusting Items**, 40% of maximum under Group Revenue** and 100% of maximum under the Net cashflow before dividends, financing, acquisitions and disposals* element of the annual bonus.

The actual outcome for the non-financial metrics were maximum for Net Promoter Score ('NPS') and 75% for Group Employee engagement.

The overall resulting formulaic annual bonus outcome for the CEO and CFO for FY25 was c.38% of maximum. Full details on the outcomes for the year are included on page 128.

FY24/25 LTIP Grant
A grant was made to the Executive Directors under the Long-Term Incentive Plan ('LTIP') during the course of the year based on performance criteria, with an ESG underpin.

Further details of this award are provided on page 132.

Committee Changes
As explained in the Regulatory News Service ('RNS') announcement published on 17 September 2024, Suzi Williams informed the Board of her intention to step down from her role as Non-Executive Director and Chair of the Remuneration Committee during FY24/25. As Chair of the Remuneration Committee, she led the rapid normalisation of Remuneration Policy and governance structures, delivering much improved support from shareholders. I succeeded Suzi Williams as Committee Chair and was appointed into the role by the Board on 1 October 2024 following a recommendation from the Nominations Committee.

Mahbobeh Sabetnia also stepped down from the Committee and the Board on 4 July 2024.

Employee Pay
In line with previous years, we have delivered on several wider workforce pay initiatives during the period ended 1 February 2025. As a result the Group have invested a total c.£37 million in respect of employee pay increases. A number of the largest increases were for our junior employees with c.£33 million invested at this level, showing our focus on delivering value to those who need it most.

The continued investment into our employees is supported by the commitment to our people made by the CEO when he joined the business in October 2022.

As we look forward to FY26, the average increase in employee salaries is c.6%, with more significant, targeted increases for our frontline colleagues.

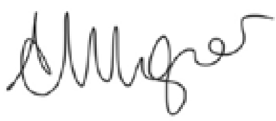
Approach to Director Pay in 2025/26
From 1 April 2025, the CEO and CFO received a salary increase of 3% and just under 13% respectively. The increase for the CEO was below the average increase of c.6% for employees at this date. The increase for the CFO reflects his performance and development in role since his appointment in October 2023, particularly in respect of transforming the JD Finance function and strengthening governance and controls. The overall increase proposed by the Remuneration Committee also recognises the lack of salary increase awarded to the CFO during last year's salary review and his below market positioning as a FTSE 100 CFO. In its discussions, the Committee considered the cumulative average increase of 13.6% awarded to the wider workforce in April 2024 (7.14%) and April 2025 (6%) and noted that this was above the increase awarded to the CFO this year (12.7%).

The bonus plan will again be operated for FY26 in line with the policy, with opportunities of up to 200% of salary being available to Executive Directors. The bonus metrics will continue to be Group Profit Before Tax and Adjusting Items** (50%), Group Revenue** (15%), Net cashflow before dividends, financing, acquisitions and disposals* (15%), NPS (10%) and Employee Engagement (10%).

Subject to the approval of the Directors' Remuneration Policy in July, LTIP awards of 300% of salary will also be granted during FY26, expected to be in October 2025. Under the terms of the proposed Policy this will be split into 50% Restricted Share Plan (subject to an underpin) and 250% Performance Share Plan. The Committee will review the performance measures and targets, ensuring they remain appropriate in light of the business strategy and market practice. Further detail on the measures and targets for the FY26 LTIP award will be disclosed at the time of grant by way of RNS.

Committee Terms of Reference
The Committee commissioned a review of its Terms of Reference during the year, with a limited number of minor amendments resulting from this review. The Committee's Terms of Reference can be found on the corporate website at www.jdplc.com/esg/governance.

Annual General Meeting
I look forward to meeting with shareholders at the forthcoming Annual General Meeting ('AGM') to discuss any queries or comments on this Directors' Remuneration Report, the proposed changes to the Directors' Remuneration Policy or on the Group's remuneration principles more generally.



Angela Luger
Remuneration Committee Chair
20 May 2025

Directors' Remuneration Report continued

Directors' Remuneration Policy
JD's Directors' Remuneration Policy (the "Policy") was approved by 99% of shareholders at a General Meeting in 2022. The Policy focused on aligning JD's remuneration structures and governance model with FTSE 100 market best practice. This change was necessary to reflect JD's refreshed commitment to modern governance and best practice compensation policies, as part of a wider ranging review of our governance framework.

A new Policy will be presented for approval by shareholders at the AGM in 2025. The Committee's objective for the new policy is that it should be in line with current governance best practices, reflect the business strategy, be competitive in the market and be adaptable to future business needs and challenges.

We consulted with our major shareholders and the main institutional voting agencies on the proposed changes to the Policy and the proposed implementation for FY26. If approved by shareholders, the new Policy will take effect from the date of the 2025 AGM and remain in force for three years unless changes are required.

The Remuneration Committee believes that some elements of the current Policy remain fit for purpose as they are aligned with market best practices and support the Committee's commitment to aligning pay with performance. These include LTIP awards delivered in shares with a 3 year vesting period and further 2 year holding period, executive director pensions aligned with the wider workforce, a portion of the bonus earned deferred into shares for 3 years, and both in-post and post-cessation shareholding requirements.

However, there are other areas where a refreshed approach is required, in order to support the Group's evolving business strategy and to ensure that the key leaders and talent are motivated appropriately and remain in place to deliver future growth. This is consistent with addressing the findings from our review, highlighted above.

The 2025 Policy therefore focuses on the following areas:

1. **Introduce a smaller, time-based award (i.e. Restricted Stock Plan ("RSP")) alongside the existing performance-based award (i.e., Performance Share Plan ("PSP")) and increase the overall maximum opportunity under the plan**.

Increase the maximum long-term incentive plan ("LTIP") opportunity from 200% of salary to 300% of salary with the split being 250% of salary under the PSP and 50% of salary under the RSP. The vesting of the RSP awards will be subject to a retrospective discretionary assessment by the Remuneration Committee of factors including profit performance relative to market expectations and shareholder returns over the vesting period.

2. **Addition of a Free Cash Flow metric into the PSP and a balanced scorecard in line with our strategy as it evolves.**

Although not strictly a Policy item, the Committee has also reviewed the performance measures for the PSP to ensure that these are aligned with our strategy and take into account shareholder feedback. As a result, the Committee is proposing to introduce a Free Cash Flow metric with a 30% weighting and a balanced scorecard with a 20% weighting.

Free Cash Flow is a function of the returns generated by the business, which responds to the preference expressed by some shareholders for a returns-based metric, and is defined as net of capex and working capital movements. Including it within the LTIP supports strong cash generation and disciplined capital allocation which is one of the six pillars of our investment case, underpinning our strong balance sheet position and providing headroom for investment and to meet our commitments.

In addition, we will introduce a balanced scorecard with a 20% weighting to incentivise further growth in the US and synergy delivery following the material acquisition of Hibbett and which we will review annually, to ensure it remains well-aligned to our strategic goals.

We believe that together, these changes will align the interests of the Executive Directors with those of shareholders further and ensure the desired "pay-for-performance" culture.

3. **Increase alignment of interests between shareholders and management through increasing shareholding requirement.**

Material increase to the in-employment shareholding requirement to 300% of salary (from 200%) so that the requirement is consistent with the annual LTIP grant level, in line with market best practice. The Executive Directors must retain all shares vesting (net of tax) from the LTIP until they meet this guideline.

4. **Reduce the level of annual bonus deferral once the shareholding requirement has been met.**

In line with the newly updated Principles of Remuneration from the IA, once an Executive Director fulfils the shareholding requirement, the Committee believes it would be appropriate to reduce the portion of their annual bonus deferred into shares from 50% to 25% of the bonus earned.

Given the material increase in the shareholding requirement, once Executives meet this threshold, they will own a significant number of shares in the Group. At this point, the Committee believes that the alignment between Executives and shareholder interests will be strong enough to warrant a reduction in the annual bonus deferral, effectively rewarding Executives for their performance, while ensuring their interests remain closely aligned with those of the shareholders. The Committee is comfortable that there is a continued ability to apply malus and clawback provisions in line with the IA Principles of Remuneration given that a portion of the bonus will remain subject to deferral and that clawback provisions apply for three years following the cash payment. There will also be the ability to apply malus to the RSP awards.

5. **Align the operation of the recruitment award already included in the Policy with the proposed LTIP operation, to allow awards to be granted as a combination of PSP and RSP.**

The maximum opportunity under the Group's recruitment award will remain at 200% of salary. However, awards could now be granted under a mix of the PSP and RSP with a cap on RSP awards of 50% of the total award. This aligns with our approach for annual LTIP grants and provides additional flexibility should the Group make hires from the US market in the future.

Key rationale for the proposed Policy:

- Alignment with business strategy: Awards will be aligned strategically with JD's overarching business objectives. This alignment ensures that key performance metrics within the plan, such as Free Cash Flow and strategic measures, are linked directly to the expectations and requests of our shareholders. By doing so, the plan is designed to drive the achievement of JD's long-term goals, fostering sustainable growth and ensuring that executive incentives are closely tied to the Group's success.

- Enhancing international competitiveness: With JD's recent acquisition of Hibbett and the increasing proportion of its business generated in the US which is now close to 50%, the proposed LTIP enhances JD's competitive position on an international scale. The award of both a PSP and RSP component is designed to attract and retain key personnel who are instrumental in driving JD's success and positions JD's total remuneration strategy appropriately within the context of a global market. We carried out remuneration benchmarking against our Global Retailer peer group which comprises seven UK companies, four US companies and three EU companies. The benchmarking indicates that the proposal narrows the gap between JD's remuneration and the US peers (albeit the total remuneration levels at US peers remains materially higher than JD) and positions JD's remuneration appropriately when compared to UK and EU retailers of a comparable size. Pay data has been sourced from the most recently published annual reports and disclosures as at 28 February 2025.

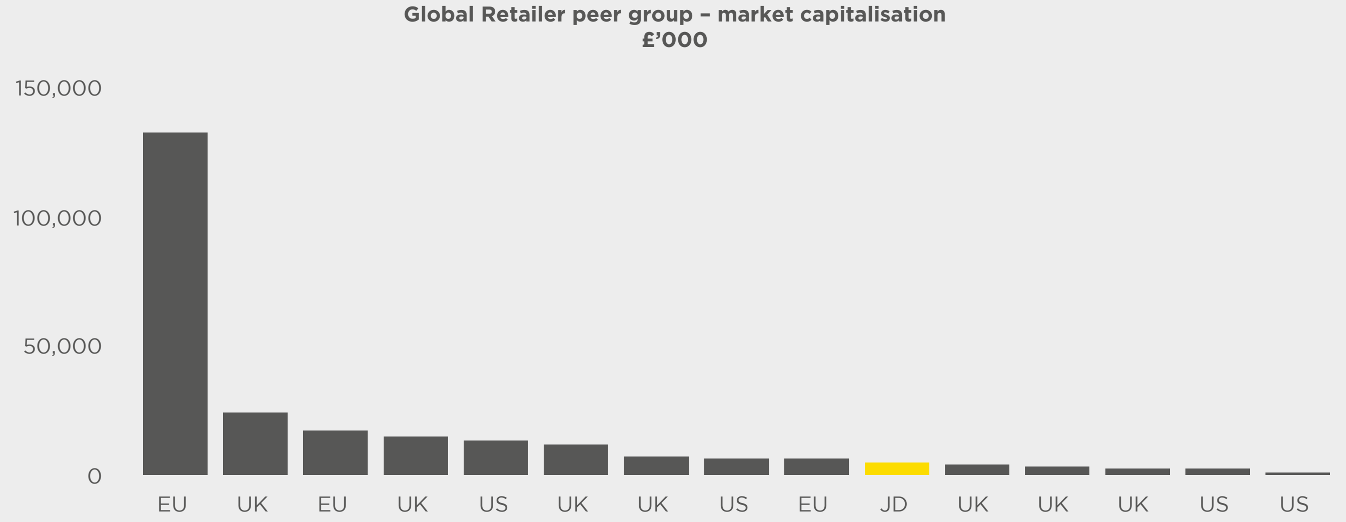
£'000		Market cap (£m)	Base salary	Fixed pay	Short term remuneration (target)	Total remuneration (target)	Total remuneration (maximum)	Annual Bonus (% of salary)	LTIP target (% of salary)	LTIP maximum (% of salary)
Retailers[2]	Lower quartile	3,863	912	950	1,971	3,189	5,339	181%	135%	231%
	Median	7,337	995	1,031	2,132	4,686	7,767	200%	165%	275%
	Upper quartile	15,231	1,102	1,220	3,082	6,695	15,284	340%	615%	1102%
JD		**5,330**	**1,071**	**1,114**	**2,186**	**3,257**	**5,400**	**200%**	**100%**	**200%**
JD: 250% PSP + 50% RSP		**5,330**	**1,104**	**1,148**	**2,251**	**4,182**	**6,665**	**200%**	**175%**	**300%**

1 3 month average market capitalisation to 27 January 2025 (Source: Datastream by LSEG).
2 The Retailers peer group consists of the following companies: Academy Sports & Outdoors (US), B&M (UK), Dick's Sporting Goods (US), Footlocker (US), Frasers Group (UK), GAP (US), H&M (EU), Kingfisher (UK), M&S (UK), Next (UK), Primark (Associated British Foods) (UK), Tesco (UK), Zara (Inditex) (EU) and Zalando (EU).

- Alignment with approach below Board: The proposed LTIP aligns the approach for the Group Executive Directors with the LTIP in place for some of our executives following our recent acquisitions. Whilst the Committee acknowledges that the proposed hybrid structure remains minority practice in the UK, implementing a consistent approach for all LTIP participants across the Group. This decision ensures consistency and coherence across the business, promotes a unified approach to incentives that fosters synergy and collaboration between the Group Executive Directors and subsidiary executive teams. By aligning the remuneration structures at different levels of the organisation, JD aims to create a cohesive and motivational framework that supports the Group's strategic goals and therefore the Committee is convinced that this is the right structure for the Group at this time.

- Foster a "pay-for-performance" culture: The split between PSP and RSP awards under the LTIP is weighted more heavily towards performance-based pay to ensure emphasis remains on the "pay-for-performance" ethos within JD. We aim to reinforce a culture where reward is aligned closely with the achievement of strategic business objectives and shareholder value creation. This approach incentivises exceptional performance and ensures a robust retention framework. The inclusion of RSP awards provides a stable foundation that aligns executives' interests with the long-term success of the Group, fostering loyalty and encouraging sustained contribution to our organisational goals.

Directors' Remuneration Report continued



The following table sets out a summary of the proposed changes to the Remuneration policy:

Element	Summary of Current Policy	Proposed Changes to Current Policy
Basic salary	Usually reviewed annually, taking into account pay practices at peer companies, competitive salary levels, individual performance, experience and the costs to JD. In general, salary increases for Executive Directors will be guided by the increase for the broader employee population.	The policy will be clear that, when comparing with retail companies, these are global comparators of a similar size and scale to JD. As noted, this will be brought out in the comparator group we use going forward.
Benefits	Benefits may be provided, including health insurance, life insurance/death in service, travel, car allowance, staff discount and relocation expenses. The Committee determines the appropriate level, taking into account market practice and individual circumstances.	No changes proposed.
Retirement benefits	Executive Directors are provided with a contribution to a defined contribution pension scheme or a cash allowance. The maximum contribution level is in line with that of the wider workforce (currently 4% of salary).	No changes proposed.
Annual bonus	Maximum opportunity of 200% of salary. Awards are based on performance measured over one financial year, with the Committee retaining the discretion to amend pay-outs if it is considered appropriate. No more than one third of the bonus is linked to non-financial measures. No bonus is earned for performance below threshold. Up to 25% of maximum is paid for threshold performance, rising to 100% for maximum performance. 50% of any bonus earned is deferred into shares for three years,	Once the shareholding requirement has been met, the annual bonus that is deferred into shares will be reduced to 25%.
LTIP	The maximum award level is 200% of salary. Awards will vest following the assessment of performance measured over three years but will not be released until the end of a two year holding period. At least 50% of the award will be based on financial performance measures. The Committee retains the discretion to adjust formulaic outcomes if appropriate. Subject to the Remuneration Committee's discretion to override formulaic outturns, awards will vest at 25% for threshold performance, increasing to 100% for maximum performance. Dividend equivalents may be paid on awards.	LTIP that integrates both performance-based elements (i.e. Performance Share Plan ('PSP')) and time-based components (i.e. Restricted Stock Plan ('RSP')). Increase to 250% of salary allocation under the PSP with an additional 50% of salary through the RSP for current Executive Directors. RSP awards are subject to continued employment only, with a vesting period of three years and two year post-vesting holding period. RSP awards will vest subject to a retrospective discretionary assessment by the Remuneration Committee. The Remuneration Committee's assessment will consider (but is not limited to) the following: – Profit performance relative to market expectations. – Shareholder returns over the period.
Shareholding guidelines	A minimum shareholding requirement is in place for Executive Directors to build and maintain a value of shares equal to 200% of salary over a five year period. At least half of vested incentive shares (post-tax) will be retained until the requirement has been met. A post-cessation shareholding requirement of 200% of salary (or full actual holding, if lower) is applicable for two years post-cessation.	Increased shareholding requirement to 300% of salary for all Executive Directors, with Executives retaining all shares vesting (net of tax) from the LTIP until they meet this guideline. No change to post-cessation requirement.
One-off recruitment award	The maximum award level is 200% of salary. In addition to the normal LTIP, the Committee has the ability to grant a one-off share award on recruitment which would ordinarily be subject to performance conditions.	Award granted as a combination of PSP and RSP to 200% with at least half of any shares granted to be in the form of a PSP award.

Full details of the review that the Committee conducted and the rationale for the changes are set out in the Chair's letter on pages 114 to 115.

Directors' Remuneration Report continued

Remuneration Policy for Executive Directors

The following table sets out each element of remuneration for Executive Directors and how it supports JD's short and long-term strategic objectives:

Element and how it supports our short and long-term strategic objectives	Operation	Maximum opportunity	Performance conditions and assessment
Base salary Provides a competitive fixed level of remuneration to attract and retain Executive Directors of the necessary calibre to execute JD's strategy and deliver shareholder value.	Base salaries for the Executive Directors are normally reviewed annually by the Committee. The following factors are taken into account when determining base salary levels: – Remuneration levels at comparable quoted global retail companies. – The need for salaries to be competitive. – The performance of the individual Executive Director. – Experience and responsibilities of the individual Executive Director. – The total remuneration available to the Executive Directors, the components thereof and the cost to JD.	Base salaries will normally be reviewed annually, but the Committee reserves the right to review them on a discretionary basis if it believes an adjustment is required such as to reflect market rates, scope of responsibilities or performance. There is no prescribed maximum annual increase. The Committee is guided by the general increase for the broader employee population but on occasion may need to recognise, for example, an increase in the scale, scope or responsibility of the role, as well as market rates.	None.
Benefits Ensures the overall package is competitive for Executive Directors.	Benefits may be provided where appropriate, including health insurance, life insurance/death in service, travel, car allowance, staff discount and relocation expenses.	The Committee determines the appropriate level, taking into account market practice and individual circumstances. There is no prescribed maximum.	None.
Pensions Provides market competitive retirement benefits for Executive Directors.	Pension provision is a payment into a defined contribution pension scheme or a cash amount in lieu of a pension contribution. Pension payments do not form part of salary for the purposes of determining the extent of participation in JD's incentive arrangements.	The maximum pension provision is 4% of salary, in line with the workforce.	None.

Element and how it supports our short and long-term strategic objectives	Operation	Maximum opportunity	Performance conditions and assessment
Annual bonus Provides Executive Directors with the opportunity to earn performance related bonuses based on the achievement of financial targets and key performance indicators which incentivise the achievement of the business strategy.	The bonus is paid annually in cash and shares with 50% of any bonus earned deferred into shares for three years. Where an Executive Director has met their shareholding requirement, the portion of any bonus earned that is deferred into shares for three years is reduced to 25%. The deferred shares are not subject to any further conditions, save for continued employment. Deferred share awards may include additional shares (or, at the discretion of the Committee, cash) equivalent to the value of the dividend roll-up, and may assume dividend reinvestment. Malus and clawback provisions apply as detailed within the Remuneration Policy.	The maximum bonus opportunity may be up to 200% of salary.	The targets are set by the Committee each year and are based on a combination of financial and strategic KPIs. Performance is measured against financial and non-financial measures with no more than one third of the annual bonus linked to non-financial measures. Up to 25% of the bonus is paid for achieving a threshold level of performance and the full bonus is paid for delivering stretching levels of performance. For performance below threshold, no bonus is paid. The Committee sets bonus targets each year to ensure they are appropriate stretching in the context of the business plan. In exceptional circumstances such that the Committee believes the original measures and/or targets are no longer appropriate e.g. corporate activity, the Committee has discretion to amend performance measures and targets during the year. The Committee may, in exceptional circumstances, amend the formulaic bonus pay-out should this not, in the view of the Committee, reflect the overall business performance or individual contribution.
Long Term Incentive Plan (LTIP) Provides the Executive Directors with the opportunity to earn competitive rewards. Aligns the Executive Directors' interests more closely with those of shareholders. Focuses the Executive Directors on sustaining and improving the long-term financial performance of JD and rewards them appropriately for doing so.	Awards granted under the LTIP will be settled in shares. Awards will be granted in the form of 'Performance Shares' and 'Restricted Stock'. Performance Shares are awards that vest after a performance period (normally 3 years in duration) subject to the achievement of performance conditions. Restricted Stock are time-based awards that vest (normally after 3 years) subject to the achievement of an underpin Executive Directors must retain the net of tax number of vested LTIP awards for a two-year post-vesting holding period. LTIP awards may include additional shares (or, at the discretion of the Committee, cash) equivalent to the value of the dividend roll-up, and may assume dividend reinvestment. Malus and clawback provisions apply as detailed within the Remuneration Policy.	Maximum quantum of 300% of salary to be granted in the following proportions: – 250% of salary in the form of Performance Shares. – 50% of salary in the form of Restricted Stock.	Awards of Performance Shares vest based on financial, non-financial and/or strategic performance conditions which are normally aligned to JD's KPIs and strategic objectives. At least 50% of the assessment of the award of Performance Shares will be based on financial metrics, which may include Total Shareholder Return ('TSR') and Earnings Per Share ('EPS'). Up to 25% of the award of Performance Shares vests for threshold levels of performance, increasing to 100% of the award for stretching performance. The Committee sets targets each year so that they are stretching and facilitate growth for shareholders, while remaining motivational for leadership. In exceptional circumstances, such that the Committee believes the original measures and/or targets are no longer appropriate e.g. corporate activity, the Committee has discretion to amend performance measures and targets during the year. An underpin applies to awards of Restricted Stock. This will take the form of a retrospective discretionary assessment by the Remuneration Committee of factors such as profit performance relative to market expectations and shareholder returns over the vesting period. The Committee may, in exceptional circumstances, amend the LTIP vesting should the formulaic outcome not, in the view of the Committee, reflect the overall business performance or individual contribution.

Directors' Remuneration Report continued

Element and how it supports our short and long-term strategic objectives	Operation	Maximum opportunity	Performance conditions and assessment
Shareholding requirement To ensure that Executive Directors' interests are aligned with those of shareholders over a longer time horizon.	Executive Directors are required to build a shareholding requirement of 300% of salary. The full requirement should be achieved over a five-year period. At least half of LTIP and deferred bonus awards must be retained on vesting if the shareholding requirement is not met. For two years following cessation of employment, Executive Directors are subject to a post-cessation shareholding requirement equal to the lesser of the shareholding on cessation and 300% of salary (the in-employment requirement).	n/a	None.

Notes to the Policy table

Explanation of Chosen Performance Measures and Target Setting
Performance measures will be selected to reflect the key performance indicators which are critical to the realisation of our business strategy and delivery of shareholder returns, which might include EPS as well as strategic measures. The performance targets are reviewed each year to ensure that they are sufficiently challenging.

When setting these targets the Committee will take into account a number of different reference points including, for financial targets, JD's business plan and consensus analyst forecasts of JD's performance. Full vesting will only occur for what the Remuneration Committee considers to be excellent performance.

Legacy Policy Provisions
JD may honour any outstanding remuneration commitments entered into with current or former Directors (as disclosed to shareholders) before this Remuneration Policy took effect.

Malus and Clawback
The following table illustrates the time periods during which malus and clawback provisions may apply for each element of remuneration:

Remuneration element	Malus	Clawback
Annual bonus (cash)	Up to the date of the cash payment.	Up to three years post the date of any cash payment.
Annual bonus (deferred shares)	To the end of the three year vesting period.	n/a
LTIP	To the end of the three year vesting period.	Up to two years post-vesting.

The malus and clawback trigger events are:

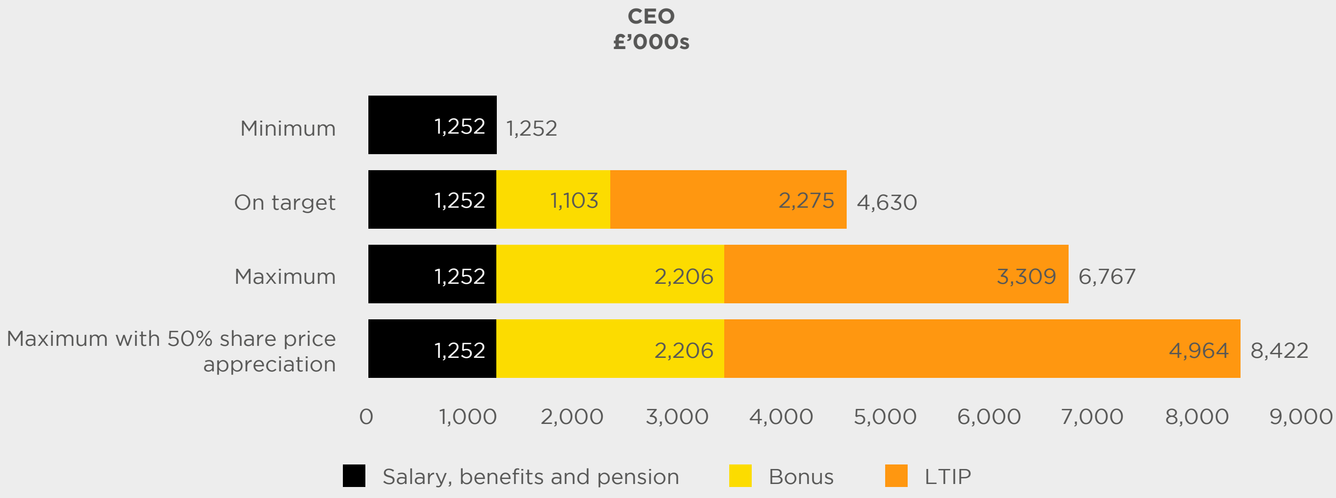
- a material misstatement resulting in an adjustment in the audited consolidated accounts of the Group or the audited accounts of any group member; and/or
- a serious failure of risk management of the Company, a Group member or business unit of the Group; and/or
- events or behaviour of an Award Holder have led to the censure of a Group member by a regulatory authority or have had a significant detrimental impact on the reputation of any Group member provided that the Committee is satisfied that the relevant Award Holder was responsible for the censure or reputational damage and that the censure or reputational damage is attributable to them; and/or
- fraud or gross misconduct of an Award Holder; and/or
- if assessment of a performance condition is found to have been based on an error, inaccuracy or misleading information; and/or
- the discovery that any information used to determine the number of shares under award was based on error, or inaccurate or misleading information; and/or
- JD or any Group member or business of the Group becomes insolvent or otherwise suffers a corporate failure so that the value of shares is materially reduced where the Committee determines the Award Holder should be held responsible (in whole or in part) following an appropriate review of accountability; and/or
- any other circumstances that the Committee considers justifying the operation of these provisions.

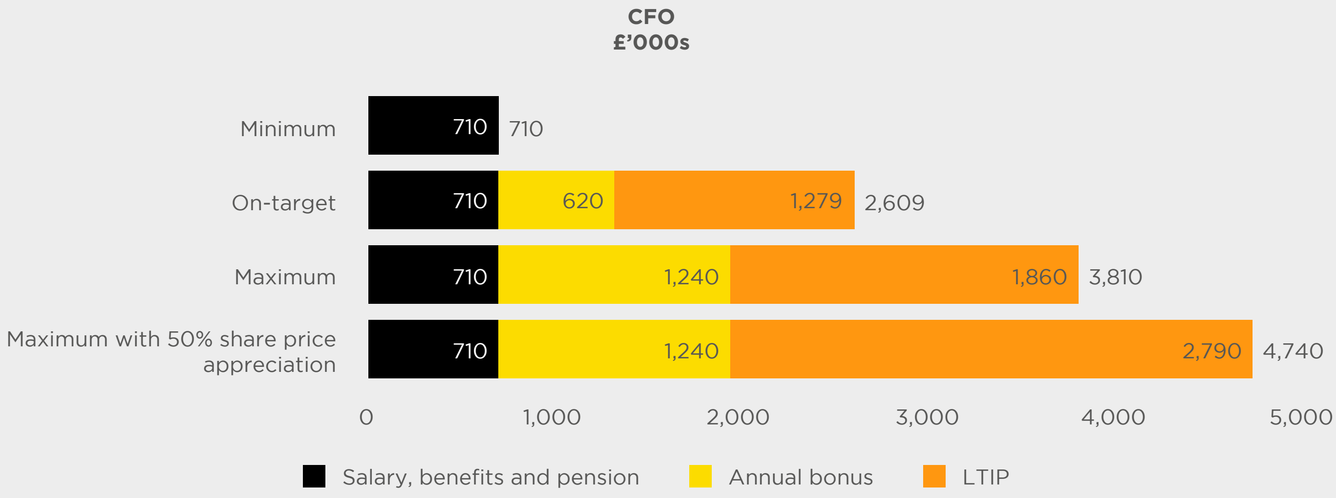
Differences in Policy for the Wider Employee Population
JD aims to provide a remuneration package for all employees that is market competitive and operates the same reward and performance philosophy throughout the business. This includes provision of competitive pension and benefits.

JD operates a bonus plan primarily but not exclusively focused on the Senior Leadership level. In addition, employees at Senior Leadership level are eligible to participate in long term incentive plans.

Illustrations of the Application of the Remuneration Policy

The chart below illustrates the remuneration that would be paid to the CEO and the CFO in the first year of operation of the amended Remuneration Policy. Each of the bars is broken down to show how the total under each scenario is made up of fixed elements of remuneration and variable remuneration.





The scenarios in the graph are as follows:

Element	Minimum performance	On-Target performance	Maximum performance	Performance conditions and assessment
Fixed elements of remuneration	The base salary is the salary as at 1st April 2025. The benefits are estimated for the CEO and CFO, these amounts exclude one-off relocation allowances. The pension contribution is equal to 4% of base salary.			
Annual bonus	0% of maximum opportunity	50% of maximum opportunity	100% of maximum opportunity	100% of maximum opportunity
Long-Term Incentive Plan	0% of maximum opportunity	100% of maximum RSP opportunity and 62.5% of maximum PSP opportunity	100% of maximum opportunity	100% of maximum opportunity plus 50% share price growth

Directors' Remuneration Report continued

Future Remuneration Policy – Non-Executive Directors

The Non-Executive Directors have entered into letters of appointment with JD which are terminable by the Non-Executive Director or JD on not less than three months notice. The letters of appointment are available for viewing at JD's registered office during normal business hours, and prior to and at the General Meeting.

The Non-Executive Directors will only receive payment until the date their appointment ends and no compensation is payable on termination. Under the terms of JD's Articles of Association, all Non-Executive Directors are subject to annual re-election by shareholders.

The table below sets out the key elements of the Remuneration Policy for Non-Executive Directors:

Element and how it supports our short and long-term strategic objectives	Operation	Maximum opportunity	Performance conditions and assessment
Non-Executive Director Fees Provides a market competitive level of fees to reflect the time commitment and contributions that are expected from the Non-Executive Directors.	The Board as a whole is responsible for setting the remuneration of the Non- Executive Directors, other than the Chair whose remuneration is determined by the Committee. Non-Executive Directors are paid a base fee in cash. Additional fees may be paid for additional responsibilities such as acting as Senior Independent Director or for membership or chairing sub-committees of the Board. The Non-Executive Directors do not participate in JD's incentive arrangements and no pension contributions are made in respect of them. Reasonable travel and subsistence expenses may be paid or reimbursed by JD and the Non-Executive Directors are eligible for staff discount.	The fees paid to Non- Executive Directors will normally be reviewed annually, but the Committee reserves the right to review fees on a discretionary basis if it believes an adjustment is required to reflect market rates, scope of responsibilities or performance. There is no prescribed maximum increase, but in general the level of fee increase for the Non-Executive Directors will be set taking account of any change in responsibility and the general rise in salaries across the UK workforce.	None.

Approach to Recruitment Remuneration

In the event that a new Executive Director or Non-Executive Director was to be appointed, remuneration would be determined consistent with the Policy table, paying no more than necessary. The table below sets out the elements of remuneration that would be considered for the appointment of a new Executive Director.

Remuneration element	Policy and operation
Fixed pay (base salary, benefits and pension)	– In line with the Remuneration Policy, base salaries, benefits and pension would be set to provide a competitive fixed level of remuneration in order to attract and retain Executive Directors of the necessary calibre to execute JD's strategy and deliver shareholder value.
Annual bonus	– New Executive Director appointments will be eligible to participate in the annual bonus plan with an annual award of up to 200% of salary, operated in line with the Remuneration Policy.
LTIP	– New Executive Director appointments will be eligible to participate in the LTIP with an annual grant of up to 300% of salary, operated in line with the Remuneration Policy.
Buy-out awards	– If it were necessary to attract the right candidate, due consideration would be given to making awards necessary to compensate for forfeited awards in a previous employment. – In making any such award, the Committee will take into account any performance conditions attached to the forfeited awards, the form in which they were granted and the timeframe of the forfeited awards. – The value of any such award will be capped to be no higher on recruitment than the forfeited awards and will not be pensionable nor count for the purposes of calculating bonus and LTIP awards. – Any such award would be in addition to the normal bonus and LTIP awards set out in the Policy table.
Relocation costs	– Where appropriate, JD will offer to pay reasonable relocation expenses.
One-off recruitment award	– In exceptional recruitment circumstances, the Remuneration Committee retains the ability to grant a one-off share award, that of up to 200% of salary, in addition to any normal LTIP award. Such award may be granted in a combination of Performance Shares and Restricted Stock with at least half of the award to be granted in the form of Performance Shares.

In respect of an internal promotion to the Board, any commitments made before the promotion will continue to be honoured even if they would otherwise be inconsistent with the Remuneration Policy prevailing when the commitment is fulfilled.

Service Contracts for Executive Directors
The period of notice required in the service contracts is 12 months by the Executive Director and JD.

The service contracts and letters of appointment are available for inspection by shareholders in advance of and at the forthcoming Annual General Meeting, and during normal business hours at JD's registered office address.

There are no further obligations which could give rise to a remuneration or loss of office payment other than those set out in the remuneration policy table, the policy on payments for loss of office and change of control.

Payments for Loss of Office
When assessing whether payments will be made in respect of loss of office, the Committee will take into account individual circumstances including the reason for the loss of office, and individual performance up to the loss of office and any contractual obligations of both parties.

Contractual Payments
In the event of early termination, JD may make a termination payment not exceeding one year's salary.

In the event of gross misconduct, JD may terminate the service contract of an Executive Director immediately and with no liability to make further payments other than in respect of amounts accrued at the date of termination.

The current Executive Director service contracts permit JD to put an Executive Director on garden leave for some or all of the duration of the notice period.

JD will honour any commitments in respect of leavers prior to the date of this Remuneration Policy coming into force.

Variable Pay
The treatment of variable pay for leavers will depend on whether or not they are classified as a Good Leaver under JD's incentive plans. A Good Leaver is defined as leaving due to the following reasons:

- Ill-health.
- Injury.
- Redundancy.
- Disability.
- Sale of the employing entity out of JD.

For other leavers, the Committee will take into account individual circumstances, contractual terms, circumstances of the termination and the commercial interests of JD to determine whether or not to treat a leaver as a Good Leaver.

Directors' Remuneration Report continued

The table below sets out the treatment of variable pay in the event of a loss of office.

Remuneration element	Treatment for Good Leaver	Treatment for Other Leaver	Remuneration Committee Discretion
Annual bonus	– Eligible for a bonus paid, taking into account performance. – Any bonus paid would be subject to pro-rating for time served as an Executive Director during the year. – Normally, a portion of any bonus earned would be deferred into shares for three years, consistent with the treatment in the Policy table.	– No eligibility for bonus.	– It is at the discretion of the Committee as to whether departing Directors would be paid a bonus. In exercising its discretion on determining the amount payable and the form of payment to an Executive Director on termination of employment, the Board would consider each instance on an individual basis, taking account of factors such as performance and circumstances of the termination. – When determining whether a bonus or any other payment should be made to a departing Director, the Committee will ensure that no 'reward for failure' is made.
Deferred bonus shares	– Deferred bonus shares continue and vest in full at their original vesting date, with the exception of in the case of death, whereby shares vest immediately.	– Deferred bonus shares lapseon cessation of employment.	– The Committee may allow deferred bonus awards to vest as reasonably practicable on cessation of employment in exceptional circumstances, such as ill-health. – The Committee may apply time pro-rating for Good Leavers.
LTIP	– LTIP awards continue to vest at their original vesting date, subject to satisfaction of the relevant performance conditions in respect of awards of Performance Shares and the underpin in respect of awards of Restricted Stock. – In the event of death, LTIP awards will normally vest immediately. For the purposes of performance conditions that apply to any awards of Performance Shares and the underpin that applies to any awards of Restricted Stock, the number of awards vesting will be determined by the Committee taking into account performance as at the date of cessation. – The number of awards vesting will be reduced to reflect the proportion of the vesting period that has elapsed at the date of cessation of employment.	– LTIP awards lapse on the date of cessation of employment.	– The Committee may allow LTIP awards to vest as soon as reasonably practicable on cessation of employment in exceptional circumstances, such as ill-health.

Payments in the Event of a Change of Control
The treatment of each element of remuneration under a change of control is set out in the table below.

Remuneration element	Remuneration Policy and operation
Annual bonus (cash)	– An annual bonus may be paid subject to time pro-rating (unless the Committee determines otherwise) and performance to the date of the change of control.
Annual bonus (deferred shares	– Any outstanding deferred shares will ordinarily vest in full at the date of change of control (other than in respect of an internal reorganisation).
LTIP	– LTIP awards will vest subject to time pro-rating and performance at the date of change of control (other than in respect of an internal reorganisation). The Committee has discretion to disapply time pro-rating.

In line with market practice, the Committee retains discretion relating to operating and administering the Annual Bonus and LTIP. This discretion includes:

- timing of awards and payments;
- size of awards, within the overall limits disclosed in the policy table;
- determination of vesting;
- ability to override formulaic outcomes;
- treatment of awards in the case of change of control or restructuring;
- treatment of leavers within the rules of the plan, and the policy on payments for loss of office; and
- adjustments needed in certain circumstances, for example, a rights issue, corporate restructuring or special interim dividend.

While performance conditions or any underpin will generally remain unchanged once set, the Committee has the usual discretions to amend them, including in respect of measures, weightings and targets, where the original conditions or underpin would cease to operate as intended.

Any such changes would be explained in the subsequent annual Directors' Remuneration Report and, if appropriate, be the subject of consultation with JD's major shareholders. Consistent with best practice, the LTIP rules also provide that any such amendment must not make, in the view of the Committee, the amended condition materially less difficult to satisfy than the original condition was intended to be before such event occurred.

Statement of Employment Conditions Elsewhere in JD
Remuneration arrangements are determined throughout JD based on the same principle that reward should be achieved for delivery of JD's business strategy and should be competitive within the market to attract and retain high calibre talent, without paying more than is necessary.

Senior Leadership below Board level with a significant ability to influence JD's results may participate in an annual bonus plan and a long-term incentive plan which reward both performance and loyalty and are designed to retain and motivate.

The Committee considers pay and employment conditions across JD when reviewing the remuneration of the Executive Directors and other senior employees. In particular, the Committee considers the range of base pay increases across JD when determining the increases to award to the Executive Directors, but has not reviewed any remuneration comparison measurements when setting the Remuneration Policy.

While the Company has not specifically consulted with employees when determining the Remuneration Policy, the Committee has obtained the views of the workforce on issues such as remuneration via the various workforce forums led by JD's HR business partners and attended by Senior Leadership. Such views have been communicated, as appropriate, to the Committee and the Board via the monthly Board reporting process. The workforce committee, formed of employee representatives, has provided further insights into JD's engagement practices which have been fully considered by the Committee and the Board. Changes which have been implemented as a result of these include:

- Trained Welfare and Neuro-inclusion Champions across the UK, North America, EMEA and Asia
- Growth of our colleague networks, Employee Resource Groups (ERG'S) in UK and North America with plans to expand into EMEA and APAC in 2025
- Introduction of our colleague communication and engagement app, JD Now, enabling connection and engagement of all colleagues globally for the first time.

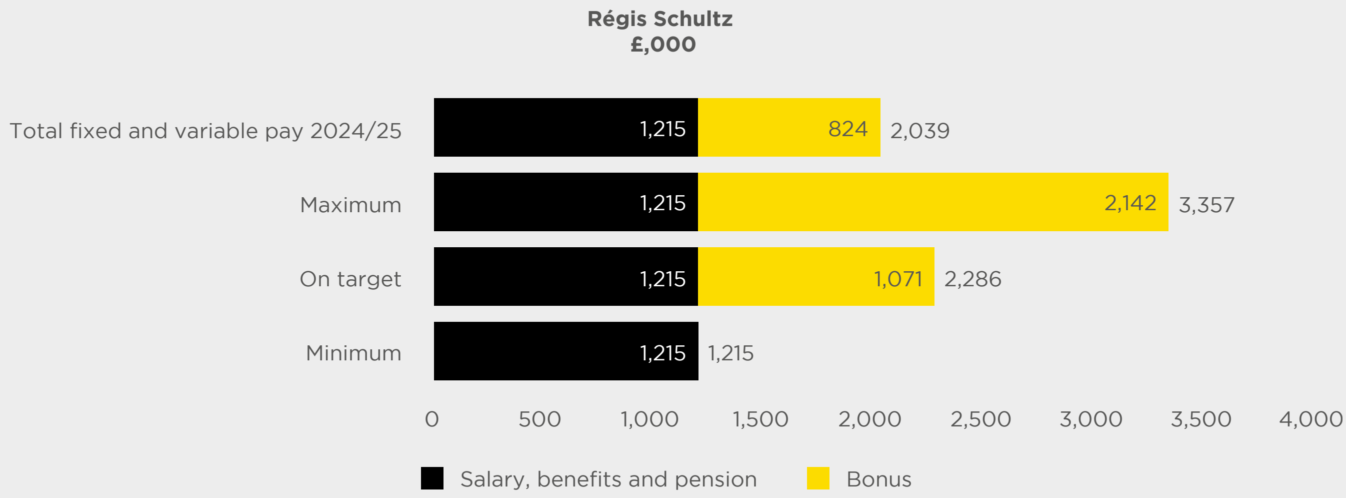
Consideration of Shareholder Views
The Committee takes the views of shareholders seriously and these views are taken into account in shaping remuneration policy and practice. Shareholder views are considered when evaluating and setting remuneration strategy and the Committee welcomes an open dialogue with its shareholders on all aspects of remuneration.

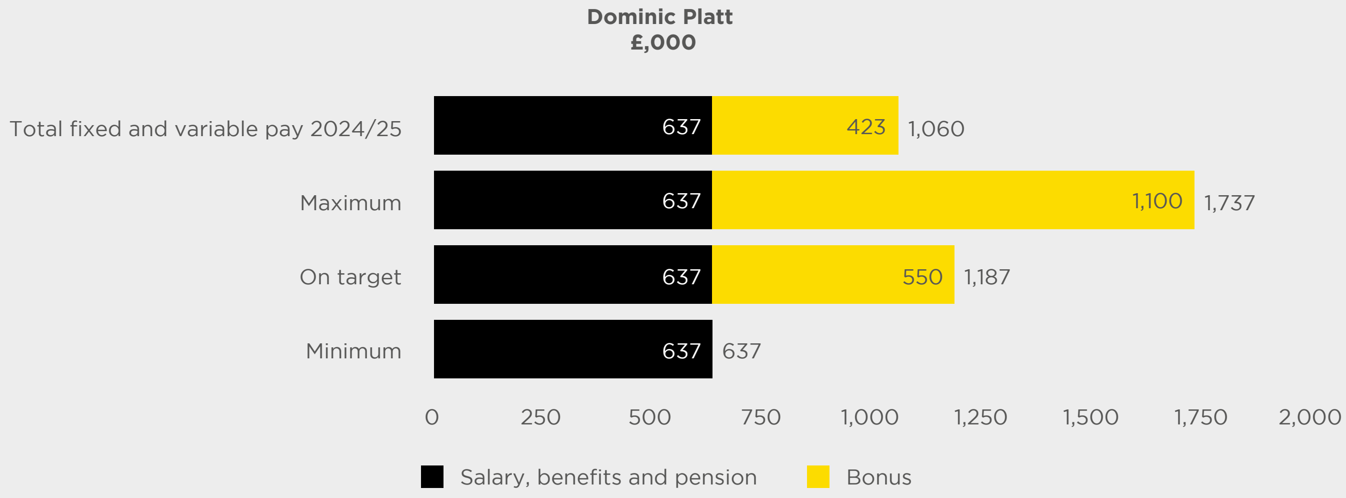
The Committee consulted its major shareholders prior to proposing this Remuneration Policy.

The Committee is grateful for the time taken to consider the Committee proposals and provide feedback. At the end of the consultation, a number of shareholders, including our majority shareholder, indicated they were supportive of this Remuneration Policy.

Directors' Remuneration Report continued

Remuneration at a Glance
Remuneration Outcome of the Year
The graphs below shows the total remuneration outcomes in respect of 2024/25 for Régis Schultz and Dominic Platt vs. the illustrative values available under their reward package for the Minimum, On target and Maximum performance scenarios.



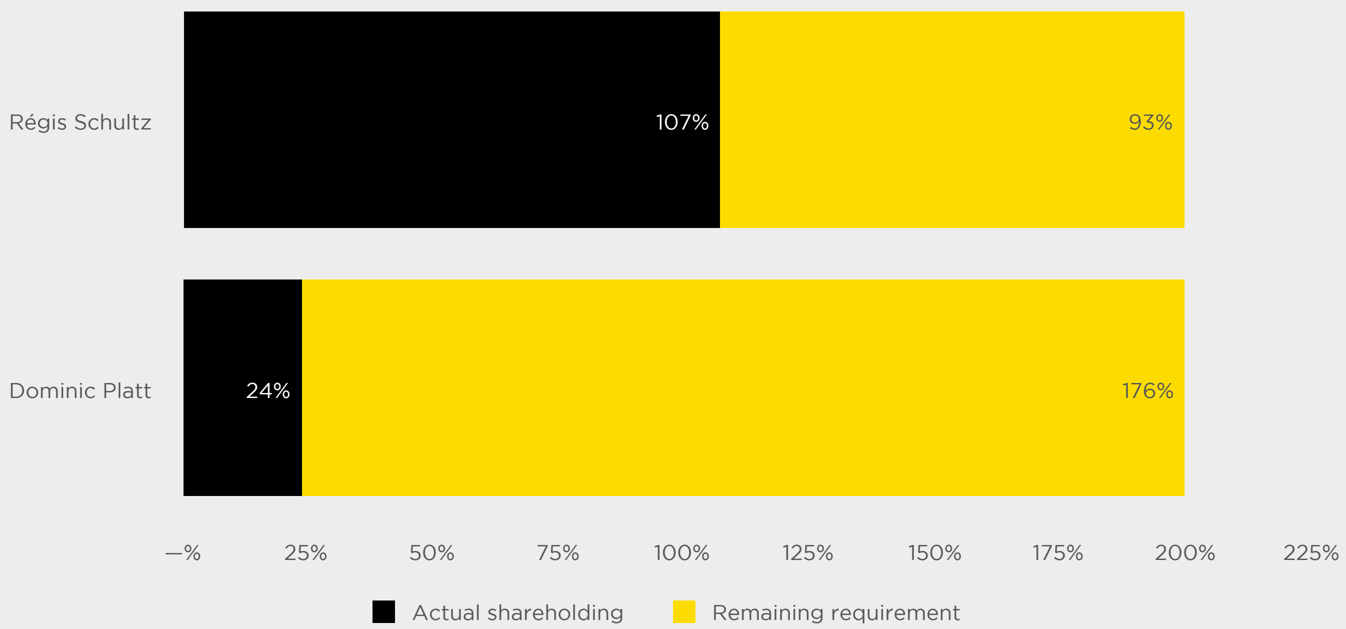


Shareholding Requirement

Share ownership is a key means by which the interests of the Executive Directors are aligned with those of the shareholders. The current policy sets out a formal requirement for the Executive Directors to build up 200% of salary over a five year period. Régis and Dominic will continue to build their shareholding through annual bonus deferral and vesting of LTIP awards in coming years.

The proposed new policy will increase the shareholding requirement to 300% of salary for all Executive Directors to be built up over a five year period. The graph below sets out the current shareholdings of each Executive Director.

Shareholding Requirement as a % of Salary



Directors' Remuneration Report continued

Annual Report on Remuneration

The sections of this report subject to audit have been highlighted.

Single Figure Table – Executive Directors (Audited)

(£'000)		Salary and fees	Benefits[1]	Pension[2]	Annual bonus[3]	LTIP[4]	Other[5]	**Total**	Total fixed pay	Total variable pay
Régis Schultz	2024/25	1,068	105	42	824	—	—	**2,039**	1,215	824
	2023/24	1,040	109	42	395	—	—	**1,586**	1,191	395
Dominic Platt	2024/25	550	65	22	423	—	—	**1,060**	637	423
	2023/24	180	21	7	42	—	674	**924**	208	716

Notes
1 Benefits include a car allowance and private medical and health insurance. The amounts for Régis Schultz and Dominic Platt include a disturbance allowance of £60,000 and £50,000 per annum payable for three years post-appointment.
2 The pension provision for Régis Schultz for the FY23/24 had not been confirmed as at the reporting date, therefore we have included the updated figure in the table above of £42,000. Régis Schultz also received the same amount in FY24/25 and the amount reflects the amount paid, which is in line with the policy at 4% of salary.
3 The FY24/25 annual bonus payments in respect of the 52 weeks ending 1 February 2025 was determined by the Remuneration Committee for Executive Directors based on the Company's performance during each financial period.
4 Both Executive Directors are entitled to an LTIP award in line with the policy. Régis was granted an LTIP award in respect of FY22/23 that was subject to Profit Before Tax and Adjusting items performance in the financial year to 1 February 2025. As the threshold level of Profit Before Tax and Adjusting items was not met, this award lapsed. Further detail is set out on page 132. For Dominic Platt, his first LTIP award will vest in FY25/26 subject to the relevant performance conditions.
5 Dominic Platt received a buyout award in respect of the awards he forfeited from his previous employer on commencement of employment with the Group. Further details are set out in the 2024 Directors' Remuneration Report.

Single Figure Table – Non-Executive Directors (Audited)

(£'000)		Salary and fees[1]	Benefits[7]	**Total[1]**
Andrew Higginson	2024/25	480	—	**480**
	2023/24	480	—	**480**
Kath Smith	2024/25	123	—	**123**
	2023/24	116	1	**117**
Prama Bhatt[2]	2024/25	50	—	**50**
	2023/24	—	—	**—**
Andrew Long[3]	2024/25	76	—	**76**
	2023/24	71	—	**71**
Angela Luger[4]	2024/25	103	—	**103**
	2023/24	59	—	**59**
Bert Hoyt	2024/25	96	—	**96**
	2023/24	94	1	**95**
Darren Shapland	2024/25	95	—	**95**
	2023/24	55	—	**55**
Ian Dyson	2024/25	91	—	**91**
	2023/24	77	—	**77**
Helen Ashton	2024/25	108	—	**108**
	2023/24	106	1	**107**
Mahbobeh Sabetnia[5]	2024/25	37	—	**37**
	2023/24	86	—	**86**
Suzi Williams[6]	2024/25	89	—	**89**
	2023/24	98	1	**99**

Notes
1 The Non-Executive Directors are not entitled to participate in any incentive schemes and thus receive no variable pay.
2 Prama Bhatt was appointed to the Board on 23 September 2024.
3 Andrew Long received an additional £2,500 in respect of FY25 in error with the overpayment being recovered in FY26.
4 Angela Luger became the Chair of the Remuneration Committee on 1 October 2024. The increase in fees payable to Angela reflects the increased responsibility associated with the role pro-rated based on the time in the role.
5 Mahbobeh Sabetnia stepped down from the Board and her role as Non-Executive Director and member of the Remuneration Committee on 4 July 2024.
6 Suzi Williams stepped down from the Board and her role as Non-Executive Director and Chair of Remuneration Committee on 1 November 2024.
7 Value shown relates to reimbursement of reasonable travelling and other expenses (including any relevant tax) incurred in carrying out their duties.

Salary and Pension for 2024/25 (Audited)
The Executive Directors' salaries were reviewed on 1 April 2024, taking into account wider workforce increases and the position against the external market. The Committee determined that Régis Schultz would receive a salary increase of c.2% to £1,071,400 which is below that of the wider workforce, which was on average awarded an increase of c.8% for retail and c.4% for Head Office staff. As Dominic Platt joined in October 2023, he was not eligible for a salary increase for 2024/25.

As per the policy, the Executive Directors are entitled to a pension contribution of up to 4% of salary, aligned with the wider workforce.

Determination of 2024/25 Bonus (Audited)
Régis Schultz and Dominic Platt had the opportunity to earn a bonus of 200% of salary.

The Committee established threshold and maximum performance levels considering internal budgets and analysts' consensus forecasts and did not adjust the targets during the year. The approach taken to assessing financial performance against these measures was based on a straight-line payout between 25% for threshold performance, 50% for target performance and 100% achievement for maximum performance.

The targets and outcomes for the year were as follows:

Performance metric	Weighting	Threshold (25%)	Target (50%)	Maximum (100%)	Actual outcome	Actual outcome (% of maximum)	**Achievement (% of maximum bonus earned)**
Group Profit before tax and adjusting items**[1]	50 %	£969m	£985m	£1,003m	£926m	0 %	**0.0 %**
Group Revenue**[2]	15 %	£10,645m	£10,850m	£11,050m	£10,766m	40 %	**6.0 %**
Net cashflow before dividends, financing, acquisitions and disposals*[3]	15 %	£261m	£277m	£295m	£339m	100 %	**15.0 %**
Group Employee Engagement[4]	10 %	67%	69%	71%	70%	75 %	**7.5 %**
Group Net Promoter Score[5]	10 %	26	29	32	53	100 %	**10.0 %**
	100 %						**38.5 %**

1 This is aligned with the Profit Before Tax and Adjusting Items* KPIs on page 32. Adjustments are then made to align the business outcome with how the targets were calculated and are converted to constant currency, to ensure a fair comparison vs. the targets set at the start of the year.
2 This is aligned with the revenue KPI* on page 32. Adjustments are then made to align the business outcome with how the targets were calculated and are converted to constant currency, to ensure a fair comparison vs. the targets set at the start of the year.
3 Net cashflow before dividends, financing, acquisitions and disposals is calculated on page 248.
4 Group Employee Engagement is the output of a survey that measures how engaged our employees feel and their perceptions of the Company.
5 Net Promoter Score is used to measure customer loyalty and satisfaction.

In relation to the employee engagement condition:

The Employee Engagement score is based on the results of the annual Global Engagement Survey, which is run independently by a third-party (ETS). Over 80,000 JD colleagues responded to the survey. The resulting score of 70% led to a payout between target and maximum under this measure, reflecting the level of change within the business and the challenging economic context within which JD is operating.

In relation to the NPS condition:

Net Promoter Score is a customer satisfaction and loyalty measurement that businesses use to gauge how they are performing and helps businesses improve on service, customer support and delivery. The Committee set targets following a review of NPS for companies comparable to JD, as the Committee did not have the opportunity to assess the NPS for a full financial year. For FY24/25, the assessment was performed in partnership with Qualtrics XM and JD achieved an NPS of 53. This is significantly above the Maximum target set by the Committee for the FY24/25 bonus. The Committee will continue to work with JD to establish appropriate targets as they continue to gather data as the NPS survey develops.

Taking into account the performance, the annual bonus achievement was as set out below:

Executive Director	Achievement (% of maximum)	2024/25 annual bonus earned	Amount delivered in cash (50%)	Amount delivered in shares (50%)
Régis Schultz	38.5 %	£824,235	£412,118	£412,118
Dominic Platt	38.5 %	£423,119	£211,560	£211,560

As per the policy, 50% of the bonus will be deferred into shares for a three year period, subject to continued service.

The Committee is satisfied that the annual bonus earned by the Executive Directors is a fair reflection of corporate and individual performance during the year, and it did not use any discretion in determining the outcomes above.

Directors' Remuneration Report continued

LTIP Awards with Performance Period Ending 2024/25 (Audited)

Régis Schultz received an LTIP in respect of FY22/23 which was subject to the achievement of a Profit before Tax and Adjusting Items** underpin that was measured at the end of a three year performance period commencing on 30 January 2022. The underpin stated that the reported Profit before Tax and Adjusting Items for the Group in the final year of the performance period must be at least £994.56 million for the award to vest. Based on the Group's results, the underpin has not been achieved and as such the award has lapsed.

Scheme Interests Awarded During the Year (Audited)

LTIP Awards in Respect of FY25

The Committee granted an LTIP award to the Executive Directors on 28 October 2024 which is due to vest on 28 October 2027 as follows:

Executive Director	Type of award	Award as % of salary	Face value of awards	Number of shares awarded[1]	Vesting for threshold performance	Performance period
Régis Schultz	Nil-cost option	200 %	£2,142,800	1,623,948	25 %	3 financial years commencing on 1 February 2024
Dominic Platt	Nil-cost option	200 %	£1,100,000	833,649		

1 Based on the share price of £1.3195 on 25 October 2024.

The awards are subject to the following performance conditions:

Performance condition	Threshold (25% of maximum)	Maximum (100% of maximum)
FY26/27 adjusted basic earnings per share**[1]	2.5% p.a. growth (13.81p)	10% p.a. growth (17.06p)

1 Adjusted earnings per share is calculated using 'Profit Before Tax and Adjusting items' as reported from FY24/25 onwards. This amount will then be tax adjusted for an effective tax rate, and exclude profit after tax and adjusting items attributable to non-controlling interests to determine adjusted profit after tax and adjusting items attributable to equity shareholders. This is then divided by shares in issuance at the end of FY26/27.

The awards will vest on a straight line basis between Threshold (13.81p) and Maximum (17.06p).

The LTIP award will also be subject to an ESG underpin such that the vested award will reduce by up to 20% on a 'hit or miss' basis for each of two metrics if ESG performance of the Group is deemed not to be satisfactory over the relevant performance period, based on an assessment by the Committee of the following conditions:

- up to 10% based on achievement of an Employee Engagement score in the final year of the performance period (based on results expected to be released in December 2026) at least equal to the retail engagement benchmark of 79% as provided by Expert Training Systems ('ETS') or other similar external underpin measure as determined by the Committee.
- up to 10% based on achievement of a Climate Change rating of at least 'B' by the Carbon Disclosure Project ('CDP') in the final financial year of the performance period.

As per the policy, the award is subject to a two year post-vesting holding period.

Annual Bonus in Respect of FY23/24

In line with the policy, the Executive Directors' FY23/24 annual bonus was delivered 50% cash and 50% over a nil-cost option which vests 3 years from grant subject to continued service. On that basis, the Committee granted a Deferred Bonus Award to Executive Directors on 11 June 2024 that is due to vest on 11 June 2027 as follows:

Executive Director	Type of Award	Face value	Number of shares awarded[1]	Exercise price	Vesting date
Regis Schultz	Nil-cost Option	£197,542	175,281	£Nil	11/6/2027
Dominic Platt	Nil-cost Option	£21,089	18,712	£Nil	11/6/2027

1 The number of shares under the award is based on a share price of £1.1270 based on an average share price from the end of the financial year to 27 March 2024.

Payments Made To Past Directors During The Year
No payments have been made to past Directors in the year.

Directors' Shareholding and Share Interests (Audited)
The interests of the Directors who served during the year and persons closely associated with them are shown below:

Director	Ordinary shares	Unvested and subject to performance conditions	Unvested and not subject to performance conditions[2]	Vested but unexercised	**Total interests at 1 February 2025**
Executive Directors					
Régis Schultz	1,197,320	4,231,655	175,281	–	**5,604,256**
Dominic Platt	138,511	1,686,692	18,712	–	**1,843,915**
Directors					
Andrew Higginson	608,321	–	–	–	**608,321**
Helen Ashton	–	–	–	–	**–**
Prama Bhatt	–	–	–	–	**–**
Ian Dyson	40,000	–	–	–	**40,000**
Bert Hoyt	–	–	–	–	**–**
Andy Long	94,337	–	–	–	**94,337**
Angela Luger	–	–	–	–	**–**
Mahbobeh Sabetnia	–	–	–	–	**–**
Darren Shapland	40,000	–	–	–	**40,000**
Kath Smith	–	–	–	–	**–**
Suzi Williams	27,579	–	–	–	**27,579**

Notes
1 No options were exercised by the Directors during the year to 1 February 2025.
2 Refers to any awards granted under the deferred annual bonus scheme.
3 45,487 ordinary shares are held by Andrew Higginson's spouse.
4 All shares held by Ian Dyson are held by Ian Dyson's spouse.
5 Shareholdings for Mahbobeh Sabetnia and Suzi Williams is at the respective dates of stepping down as Directors.
6 There have been no other changes to the share interests above between 1 February 2025 and the date of this report.

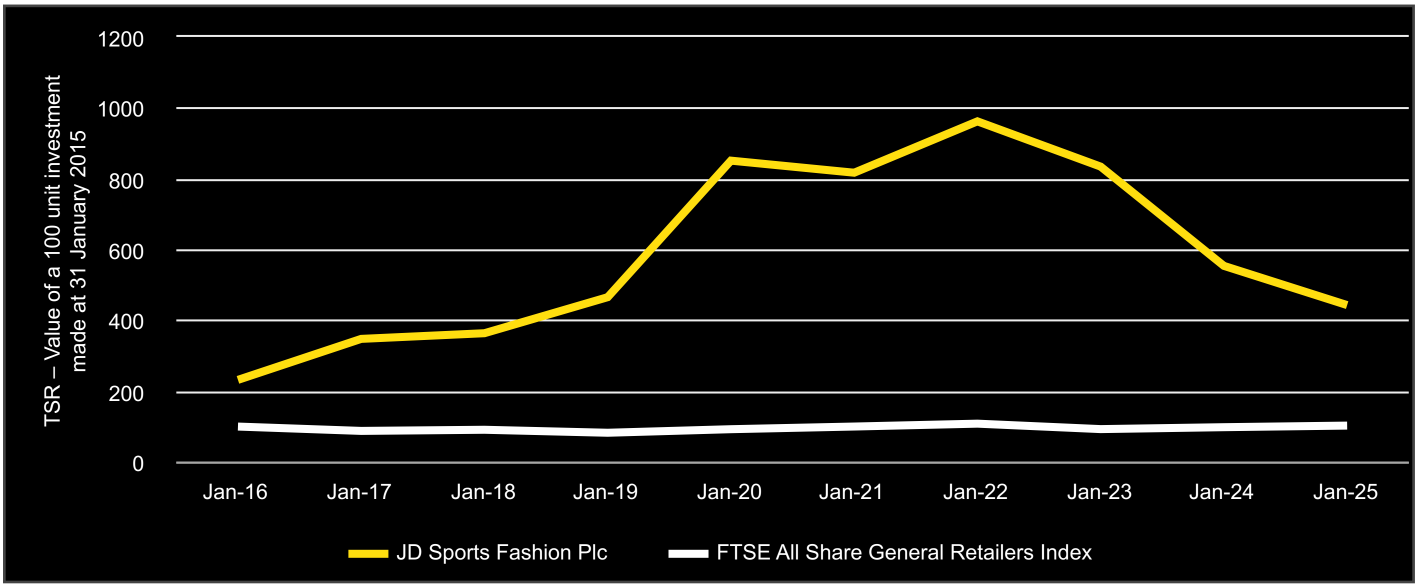
Directors' Share Ownership Guidelines (Audited)
This table sets out the Executive Directors' shareholding requirements and actual share ownership levels:

Director	Shareholding requirement (% of salary)[1]	Shareholding (% of salary)[2]	Shareholding requirement met?
Régis Schultz	200%	107 %	No
Dominic Platt		24 %	No

Notes
1 Executive Directors are expected to retain at least half of LTIP and deferred bonus awards on vesting if the shareholding requirement of 200% of salary is not met. For these purposes, holdings of ordinary shares will be treated as including unvested deferred annual bonus awards, all vested but unexercised awards, or awards unvested but after the performance period and in the holding period on a net of tax basis.
2 Shareholding as a percentage of salary has been calculated based on the closing share price on 1 February 2025 of £0.8912.

Directors' Remuneration Report continued

The following graph shows the Total Shareholder Return ('TSR') of the Group in comparison to the FTSE All Share General Retailers Index over the past 10 years. The Committee considers the FTSE All Share General Retailers Index a relevant index for TSR comparison disclosure required under the regulations as the index represents the broad range of UK quoted retailers. TSR is calculated for each financial year end relative to the base date of 31 January 2015 by taking the percentage change of the market price over the relevant period, reinvesting any dividends at the ex-dividend date.



History of CEO's Remuneration

The total remuneration figures for the individual carrying out the role of CEO during each of the last 10 financial years are shown in the table below. The total remuneration figure includes the annual bonus based on that year's performance and the LTIP award based on three year performance periods ending in the relevant financial year. The annual bonus payout and LTIP vesting level as a percentage of the maximum opportunity are also shown for each of these years.

	Peter Cowgill									Kath Smith	Régis Schultz		
Remuneration of CEO	Jan 2015	Jan 2016	Jan 2017	Jan 2018	Jan 2019	Jan 2020	Jan 2021	Jan 2022	Jan 2023	Jan 2023	Jan 2023	Jan 2024	Jan 2025
Total remuneration (£m)	2.0	2.7	2.8	2.3	2.6	5.6	5.0	2.4	0.7	0.4	2.9	1.6	2.0
Annual bonus (% of maximum)	50%	100%	100%	100%	100%	100%	75%	90%	72%	n/a	n/a	19%	38%
LTIP vesting (% of maximum)[1]	n/a	n/a	100%	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	0%

Notes

The amount included for Kath Smith is the amount paid in respect of the period she served as interim CEO.

1 LTIP vesting is n/a for certain years where individuals were not awarded any LTIP awards that vested based on performance in the relevant year.

Percentage Change in Remuneration of Directors Compared with Employees

The table below shows the percentage change in the Executive and Non-Executive Directors' salary, benefits and annual bonus between financial years. This has been compared with the respective percentage changes for JD Sports Fashion Plc employees in line with the requirements of the regulations. As an additional voluntary disclosure, the percentage changes for the UK Head Office employees in the JD and Size? businesses have been provided. The UK Head Office-based employees are deemed by the Board to be the most appropriate comparator group as they are remunerated in the most comparable way within the Group.

	Salary/fees					Benefits					Bonus				
	2020 to 2021	2021 to 2022	2022 to 2023	2023 to 2024	2024 to 2025	2020 to 2021	2021 to 2022	2022 to 2023	2023 to 2024	2024 to 2025	2020 to 2021	2021 to 2022	2022 to 2023	2023 to 2024	2024 to 2025
Executive Directors															
Régis Schultz	n/a	n/a	n/a	+156.2%	+2.67%	n/a	n/a	n/a	-66.5%	-3.87%	n/a	n/a	n/a	n/a	+108.61%
Dominic Platt	n/a	n/a	n/a	n/a	+205.56%	n/a	n/a	n/a	n/a	+210.31%	n/a	n/a	n/a	n/a	+907.14%
Non-Executive Directors															
Andrew Higginson	n/a	n/a	n/a	+79.1%	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Andy Long	n/a	n/a	n/a	+317.6%	+10.09%	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Bert Hoyt	n/a	n/a	+196.0%	+27.0%	+1.77%	n/a	n/a	n/a	n/a	-100%	n/a	n/a	n/a	n/a	n/a
Helen Ashton	n/a	n/a	+1570.6%	-62.7%	+2.04%	n/a	n/a	n/a	n/a	-100%	n/a	n/a	n/a	n/a	n/a
Mahbobeh Sabetnia	n/a	n/a	+540.0%	+34.4%	-59.28%	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Kath Smith	+12.5%	+28.9%	+917.2%	-80.3%	+6.18%	n/a	n/a	n/a	n/a	-100%	n/a	n/a	n/a	n/a	n/a
Suzi Williams	n/a	n/a	n/a	+78.2%	-9.40%	n/a	n/a	n/a	n/a	-100%	n/a	n/a	n/a	n/a	n/a
Angela Luger	n/a	n/a	n/a	n/a	+74.86%	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Darren Shapland	n/a	n/a	n/a	n/a	+67.88%	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Ian Dyson	n/a	n/a	n/a	n/a	+17.75%	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Prama Bhatt	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Wider workforce															
Sports Fashion Plc employees	n/a	+40.5%	+4.5%	+10.3%	+6%	n/a	-1.6%	-2.1%	-5.0%	-12.71%	n/a	-40.6%	+25.7%	-49.3%	-13%
Head Office-based	+1.3%	+14.7%	+2.0%	+9.1%	+8.29%	-23.2%	-3.9%	-3.9%	+5.0%	-3.28%	+0.5%	-37.2%	+37.6%	+18.8%	-6.70%

Notes
1 Some figures for prior periods have been restated, in the case of Directors in line with remuneration reported in the Single Figure Tables.
2 As Bert Hoyt, Helen Ashton and Mahbobeh Sabetnia joined during 2022, we have calculated the percentage change using the annual fees assuming they had been appointed for the whole year.
3 Figures for the change from 2020 to 2022 are not available for all employees of JD Sports Fashion Plc due to lack of data availability for this period (this data is available for UK Head Office-based employees).

Ratio Information in Relation to the Total Remuneration of the Chief Executive Officer

The table below compares the total remuneration of the individuals carrying out the role of Chief Executive Officer with the remuneration of the 25th, 50th and 75th percentile of our UK employees.

Year	Methodology	25th percentile pay ratio	50th percentile pay ratio	75th percentile pay ratio
2024/25	**Option B**	**127:1**	**93:1**	**87:1**
2023/24	Option B	88:1	70:1	49:1
2022/23	Option B	360:1	160:1	141:1
2021/22	Option B	351:1	191:1	110:1
2020/21	Option B	251:1	183:1	140:1
2019/20	Option B	348:1	310:1	304:1

Under Option B of The Companies (Miscellaneous Reporting) Regulations 2018, the latest available gender pay gap data (i.e. from 6 April 2024) was used to identify the best equivalent for three Group UK employees whose hourly rates of pay are at the 25th, 50th and 75th percentiles for the Group.

The Committee is comfortable that this approach provides a fair representation of the Chief Executive to employee pay ratios and is appropriate in comparison to alternative methods, balancing the need for statistical accuracy with internal operational resource constraints.

A full-time equivalent total pay and benefits figure was then calculated for each of these employees, consistent with the methodology used to calculate the CEO's remuneration. This was also sense checked against a sample of employees with hourly pay rates either side of the identified individuals to ensure that the appropriate representative employee was selected. The pay ratios outlined above were then calculated as the ratio of the CEO's single figure to the total pay and benefits of each of these employees.

Directors' Remuneration Report continued

The table below sets out the salary and total pay and benefits for the three quartile point employees:

	25th percentile		50th percentile		75th percentile	
	Salary	Total pay and benefits	Salary	Total pay and benefits	Salary	Total pay and benefits
2024/25	£15,757	£16,091	£21,469	£21,949	£22,719	£23,451

The Committee considers that the 50th percentile pay ratio is consistent with the relative roles and responsibilities of the Chief Executive and the identified employee.

The CEO's remuneration package is more highly weighted towards variable pay including the annual bonus and LTIP than that of the workforce due to the nature and demands of the role. This also means that the ratio is likely to fluctuate depending on the outcomes of incentive plans in each year, as illustrated by the ratios to date. Due to the increase in the CEO's variable remuneration from FY24/25, the ratios at each percentile has increased. In addition, there has been a significant increase in the number of employees at the Group and as a result, the 75th percentile individual is within a similar employee population as the 50th percentile individual resulting in a larger 75th ratio when compared to last year.

The Committee also recognises that, due to the nature of the Company's business and the ways in which it employs its staff, the flexibility permitted within the regulations for identifying and calculating the total pay and benefits for employees, as well as differences in employment and remuneration models between companies, the ratios reported above may not be comparable to those reported by other companies.

UK Corporate Governance Code – Provision 40 Disclosure

The Committee was mindful of the UK Corporate Governance Code when developing its approach to remuneration. Outlined below are factors that address provision 40 of the UK Corporate Governance Code:

Month	Principal activity
Clarity	– Our remuneration framework is structured to be sustainable, simple and in support of the financial and strategic objectives of the Group, aligning with the interests of our Executive Directors with those of our shareholders. – Incentive pay arrangements are based on objective financial performance targets, which provides clarity to all stakeholders on the relationship with pay and performance.
Simplicity	– Remuneration structures are simple and the principles that underpin them are applied at management levels below the Board. Their rationale and operation are well understood by both participants and shareholders. Careful consideration is given to ensuring an appropriate balance in the remuneration structure between annual and long-term rewards, and between cash and share-based payments.
Risk	– Incentives are structured to align with the Group's Risk Management Framework. – The Committee considers that the incentive arrangements do not encourage risk taking. Additionally, the Committee has overarching discretion to adjust outcomes to ensure they are appropriate.
Predictability and Proportionality	– There is alignment between Group performance, strategic progress and remuneration outcomes for our Executive Directors. Variable pay is linked to measures which align with the Company's long-term strategic plans and objectives
Alignment to Culture	– Incentive schemes and performance targets set by the Committee are consistent with JD's purpose, values and strategy, and are designed to drive the right behaviours across the business.

Relative Importance of Spend on Pay

The following table sets out the amounts paid in share buybacks and dividends, and total remuneration paid to all employees:

Payouts	FY25 (£m)	FY24 (£m)	Change (%)
Dividends	48	50	(4)%
Share buybacks	–	–	0%
Total employee remuneration[1]	1,745	1,552	12.4 %

Notes
1 Total employee remuneration includes wages and salaries, social security costs, pension costs and other employed staff costs.

Implementation of Policy for 2025/26

A new Remuneration Policy will be presented at the AGM on 2 July 2025 and is subject to shareholder approval. A summary of the new Remuneration Policy set out on page 119, and the full text of the Policy is included on pages 120 to 127. Further details in respect of how the Committee intends to apply the new Remuneration Policy will be provided at the relevant times to shareholders. However, in summary the Committee intends to apply the new Remuneration Policy as follows:

Key feature	Implementation in 2025/26
Base salary	
– Normally reviewed annually – The Committee considers a range of factors when determining salaries, including pay increases throughout the Group, responsibilities of the role, individual performance, and market data	– The CEO's salary has been increased by 3% to £1,103,130 effective from 1 April 2025 – The CFO's salary has been increased by 12.7% to £620,000 effective from 1 April 2025
Pensions	
– Pension contributions are paid only in respect of base salary – The Executive Directors' pension is set in line with the pension level received by the majority of the employee population	– The CEO and CFO maximum pension contribution is up to 4% (in line with the wider workforce)
Annual bonus	

– Maximum opportunity of 200% of salary for the CEO and the CFO
– No more than one third of the annual bonus is linked to non-financial measures. The Committee considers various non-financial performance measures such as strategic measures
– Malus and clawback provisions apply
	– For 2025/26, the maximum bonus opportunity for the CEO and CFO is 200% of salary
	– The performance measures for the 2025/26 annual bonus are as follows:
	  – Group Profit Before Tax and Adjusting Items** (50%)
	  – Group Revenue** (15%)
	  – Net cashflow before dividends, financing, acquisitions and disposals* (15%)
	  – Group Engagement (10%)
	  – Group Net Promoter Score (10%)
	– The performance targets have been set following the usual process, considering internal and consensus forecasts and the key strategic priorities for the Group in 2025/26
	– The performance targets are considered commercially sensitive and will therefore be disclosed in next year's report
	– The Committee has discretion to amend the formulaic outcome under the annual bonus to ensure that outcomes are reflective of business performance

Deferred annual bonus	
– 50% of the annual bonus deferred is deferred into shares until such time that the Executive Director's have satisfied their shareholding requirement. – Typically vesting after three years, normally subject to continued employment – Malus and clawback provisions apply	– No further performance conditions apply
Long-Term Incentive Plan	
– As noted on page 120, it is proposed that the Group implements a new LTIP structure – The intention is that LTIP integrates both performance-based elements (i.e. Performance Share Plan ("PSP")) and time-based components (i.e. Restricted Stock Plan ("RSP")) – The overall quantum will increase to 250% of salary allocation under the PSP, with an additional 50% of salary through the RSP for current Executive Directors – RSP awards are subject to continued employment only, with a vesting period of three years and two year post-vesting holding period – RSP awards will vest subject to a retrospective discretionary assessment by the Remuneration Committee. The Remuneration Committee's assessment will consider (but is not limited to) the following: – Profit performance relative to market expectations and Shareholder returns over the period	– Subject to the approval of the Directors' Remuneration Policy in July, LTIP awards of 300% of salary will also be granted during FY26, expected to be in October 2025. Under the terms of the proposed Policy this will be split into 50% Restricted Share Plan (subject to an underpin) and 250% Performance Share Plan. The Committee will review the performance measures and targets, ensuring they remain appropriate in light of the business strategy and market practice. – Additional details around the specific metrics and targets will be disclosed at the time of grant, expected to be October 2025

Directors' Remuneration Report continued

Non-Executive Directors' Fees

The fees paid to the Chair of the Board and the Non-Executive Directors during the year is set out below. Following an external benchmarking exercise the Chair of Board fee will increase by 3% for 2025/26 to £494,000.

Position	Fees
Chair of the Board fee	£480,000
Basic Non-Executive Director fee	£85,000
Additional fees	
Senior Independent Director fee	£20,000
Chair of Audit, Remuneration and ESG Committees	£20,000
Member of Board Committee (Audit, Remuneration and ESG)	£7,500
Designated Workforce Engagement Non-Executive Director	£7,500

1 The Non-Executive Director fee has increased to £85,000 from 1 October 2024 following the completion of an external benchmark against comparable companies.

Service Contracts and Letters of Appointment

The period of notice required in the service contracts is 12 months by the Executive Director and JD.

The service contracts and letters of appointment are available for inspection by shareholders in advance of and at the forthcoming AGM, and during normal business hours at JD's registered office address.

There are no further obligations which could give rise to a remuneration or loss of office payment other than those set out in the Remuneration Policy table, and the policy on payments for loss of office and change of control.

The Non-Executive Directors have entered into letters of appointment with JD which are terminable by the Non-Executive Director or JD on not less than three months' notice. The letters of appointment are available for viewing at JD's registered office during normal business hours, and prior to and at the AGM.

The Non-Executive Directors will only receive payment until the date their appointment ends and no compensation is payable on termination. Under the terms of JD's Articles of Association, one-third of the Company's Directors are required to retire from office at each annual general meeting. Not withstanding the provisions of the Company's articles of association, the Board of Directors has determined that all Non-Executive Directors are subject to annual re-election by shareholders in line with best practice recommendations of the Financial Reporting Council's UK Corporate Governance Code.

Remuneration Committee Roles and Membership

The current composition of the Committee and details of the changes to the composition during the financial year are detailed on page 114. The Committee met six times on a formal basis during the year under review and details of attendance at the Committee meetings are set out on page 114. The key activities of the Committee undertaken during the year are set out below.

Month	Principal activity
April	– Review and approval of Bonus Outcomes for FY23/24 and other incentivisation arrangements in relation to Executive Directors and members of Senior Management – Consideration and approval of LTIP payout proposals – Finalise targets for 2024/25 annual bonus
May	– Approval of CEO & CFO bonus payment – Consideration of LTIP metrics – Review of Directors' Remuneration Report – Discussion of shareholder engagement ahead of AGM
June	– AGM Proxy Feedback – Pay proposals for US Non-Executive Directors – Pay approach for Hibbetts and LTIP metrics and process proposal
September	– Consideration of shareholder feedback and AGM voting outcomes – Finalise LTIP awards to Executive Directors and members of Senior Management, including targets ahead of grant – Review and approval of Senior Management benchmarking
December	– Remuneration Policy review – Remuneration Committee Terms of Reference
January	– Remuneration Policy review – LTIP awards update and proposal – 2025 Bonus Award – Committee effectiveness review and evaluation of Remuneration Committee advisor

The Committee assists the Board in determining the Group's policy on Executive Directors' remuneration and determines the specific remuneration packages for Senior Executives, including the Executive Directors, on behalf of the Board. Régis Schultz, the Chief Executive Officer, and Dominic Platt, the Chief Financial Officer, have assisted the Committee when requested with regard to matters concerning key Executives below Board level.

Members of Senior Management, including the Group People Director and the independent advisor to the Committee, are invited to attend meetings where appropriate. The Group General Counsel & Company Secretary is the Secretary to the Committee. Attendees are not involved in any decisions and are not present in any discussions involving their own remuneration

External Advisors

The Committee can obtain independent and objective advice at the Company's expense where they consider it appropriate and in order to perform their duties. During the year, PwC advised on market practice, corporate governance and regulations, incentive target-setting, recruitment, the Remuneration Policy and other matters that the Committee was considering.

PwC is a member of the Remuneration Consultants Group and a signatory to its Code of Conduct, and the Committee is therefore satisfied that the advice PwC provided was objective and independent. PwC has no other connection with the Company or any individual Director that might compromise its independence or objectivity. PwC's total fees for advice on Directors' remuneration to the Committee in 2024/25 were £96,950 excluding VAT. PwC charged its fees on a time and materials basis.

Engagement with Shareholders and Shareholder Voting

The Committee takes the views of shareholders seriously and these views are taken into account in shaping Remuneration Policy and practice. Shareholder views are considered when evaluating and setting remuneration strategy and the Committee welcomes an open dialogue with its shareholders on all aspects of remuneration.

As part of the proposed changes to the Directors' Remuneration Policy, a letter was sent to shareholders on 14 April 2025 outlining the rationale for the changes. Shareholder consultation meetings on the proposed changes were then held in early May and feedback has been taken into consideration when finalising the Policy, which can be read in full on pages 120 to 127.

The Directors' Annual Report on Remuneration and Remuneration Policy that applied during the financial year was subject to a shareholder vote at the AGM held on 4 July 2024. The Remuneration policy that applied during the financial year was subject to a shareholder vote at the General Meeting held on 13 December 2022.The results of both votes were as follows:

	For	Against	Withheld
Approval of Remuneration Report	4,637,386,630 (98.63%)	64,612,756 (1.37%)	28,222,263
Approval of Remuneration Policy	4,283,648,627 (99.22%)	33,577,063 (0.78%)	19,750

Engagement with the Wider Workforce

As part of her role as designated workforce engagement NED, Kath Smith engaged with the wider workforce on various topics during the year. Kath leads the colleague engagement forums and discussed a variety of topics with the wider workforce throughout the year. This included discussions on culture and values, the launch of the new colleague mobile app, the results of the engagement survey, and global alignment. She also took part in a roundtable for International Women's Day discussing fostering an inclusive environment and accelerating action in this area.

Our JD employment offer focuses on youth, both as customers and colleagues, with a remuneration package tailored to young people's preferences. We provide day-one access to a number of benefits and support, which is an uncommon practice amongst major UK retailers.

Our £70m investment raises under-21 salaries and offers benefits from the first day of employment, including colleague discounts, JD Gyms membership, Employee Assistance Programme (EAP) as well as a cash health plan. Enhanced maternity and paternity pay, along with our collective investment significantly reduced our annual retail attrition.

To help ensure stability amongst our colleagues, JD do not utilise zero-hour contracts or 'sharp' scheduling practices (e.g. cancelling shifts on very short notice). Our retail colleagues receive shift notifications two weeks in advance with even greater visibility in our Distribution Centres, which provide static shift patterns for 12 months.

On behalf of the Remuneration Committee

Angela Luger

Chair of the Remuneration Committee

20 May 2025

Statement of Directors' Responsibilities

Statement of Directors' Responsibilities in Respect of the Annual Report and the Financial Statements

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

Company law requires the Directors to prepare financial statements for each financial year. Under that law, the Directors are required to prepare the Group financial statements in accordance with United Kingdom adopted international accounting standards. The Directors have chosen to prepare the Parent Company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 101 'Reduced Disclosure Framework'. Under company law, the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing the Parent Company financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

In preparing the Group financial statements, International Accounting Standard 1 requires that Directors:

- Properly select and apply accounting policies;
- Present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- Provide additional disclosures when compliance with the specific requirements of the financial reporting framework are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance; and
- Make an assessment of the Company's ability to continue as a going concern.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

Responsibility Statement
We confirm that to the best of our knowledge:

- the financial statements, prepared in accordance with the relevant financial reporting framework, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company and the undertakings included in the consolidation taken as a whole;
- the Strategic Report includes a fair review of the development and performance of the business and the position of the Company and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that they face; and
- the Annual Report and Consolidated Financial Statements, taken as a whole, is fair, balanced and understandable, and provides the information necessary for shareholders to assess the Company's position and performance, business model and strategy.

This responsibility statement was approved by the Board of Directors on 20 May 2025 and is signed on its behalf by:

Régis Schultz
Chief Executive Officer
20 May 2025

Dominic Platt
Chief Financial Officer
20 May 2025

Independent Auditor's Report
to the members of JD Sports Fashion Plc

Report on the audit of the financial statements

1. Opinion

In our opinion:

- the financial statements of JD Sports Fashion plc (the 'parent company') and its subsidiaries (the 'group') give a true and fair view of the state of the group's and of the parent company's affairs as at 1 February 2025 and of the group's profit for the 52 weeks then ended;
- the group financial statements have been properly prepared in accordance with United Kingdom adopted international accounting standards;
- the parent company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 101 "Reduced Disclosure Framework"; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the consolidated income statement;
- the consolidated statement of comprehensive income;
- the consolidated statement of financial position and parent company balance sheet;
- the consolidated and parent company statements of changes in equity;
- the consolidated cash flow statement;
- the consolidated material accounting policy information; and
- the consolidated notes 1 to 40 and parent company notes 1 to 23.

The financial reporting framework that has been applied in the preparation of the group financial statements is applicable law, and United Kingdom adopted international accounting standards. The financial reporting framework that has been applied in the preparation of the parent company financial statements is applicable law and United Kingdom Accounting Standards, including FRS 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice).

2. Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the group and the parent company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard as applied to listed public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. The non-audit services provided to the group and parent company for the period are disclosed in note 3 to the financial statements. We confirm that we have not provided any non-audit services prohibited by the FRC's Ethical Standard to the group or the parent company.

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

Independent Auditor's Report continued

3. Summary of our audit approach

Key audit matters	The key audit matters that we identified in the current year were: – Impact of the internal control environment on our audit approach (group and parent company) – Valuation of the Genesis put and call options (group and parent company) – Accuracy of the group consolidation – including the IFRS 16 overlay adjustments (group) – Acquisition accounting in respect of Hibbett Within this report, key audit matters are identified as follows: Newly identified Increased level of risk Similar level of risk Decreased level of risk
Materiality	The materiality that we used for the group financial statements was £42m (FY24: £46m) which was determined on the basis of 5% of adjusted profit before tax. We have determined that an add back is required for both amortisation of acquired intangibles and non-cash purchase price allocation ('PPA') costs to provide a consistent basis, as described further in section 6 below.
Scoping	JD Sports Fashion Plc (head office) ("JD") and JD UK were subject to audits of entire financial information in the UK, as were the Finish Line and Hibbett components in the US. A further 15 components in North America, UK, Europe and Asia Pacific were subject to audits of specified account balances. Together, these components represent the principal business units and account for 80% of the group's revenue, 88% of the group's profit before tax, and 85% of the group's net assets. In the prior year, our audit scope was primarily focussed on the audit of 16 components, with seven full scope components and nine components subject to audits of specified balances.

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

Our evaluation of the directors' assessment of the group's and parent company's ability to continue to adopt the going concern basis of accounting included:

- Obtaining confirmation of the group's financing facilities, including the nature of facilities, repayment terms and covenants, to determine whether these facilities remain available at year end and subsequently;
- Assessing the reasonableness of the assumptions used in the five-year plan ("medium term financial plan") approved by the board;
- Understanding the process used to prepare the forecasts including obtaining an understanding of the relevant controls over management's model;
- Reviewing the group's liquidity forecast and performing sensitivity analysis to assess whether there is sufficient headroom over the going concern period;
- Assessing macroeconomic events, including US trade tariffs, that occurred after management's forecasts were prepared and challenged whether re-forecasts were prepared;
- Challenging the assumptions used within the group's going concern model by obtaining third-party and market data and evaluating any differences between this data and the judgements and assumptions used by management;
- Evaluating the historical accuracy of forecasts prepared by management;
- Considering the mitigating factors and reasonable downside scenarios identified by management in relation to their going concern analysis;
- Evaluating the appropriateness of the going concern assessment period, including challenging management's assessment of their ability to refinance the terms loans and revolving credit facilities that mature in 16 months and 18 months respectively; and
- Assessing the appropriateness of the group's disclosure concerning the going concern basis of accounting.

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

In relation to the reporting on how the group has applied the UK Corporate Governance Code, we have nothing material to add or draw attention to in relation to the directors' statement in the financial statements about whether the directors considered it appropriate to adopt the going concern basis of accounting.

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

5. Key audit matters
Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified. These matters included those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team.

These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

5.1 Impact of the internal control environment on our audit approach (Group and Parent Company)	
Key audit matter description	As discussed in the Audit & Risk Committee Report on pages 106 to 111, the group implemented a Corporate Governance Transformation Programme in June 2021 which has overseen work to improve the group's internal control over financial reporting (ICFR), including general IT controls. To date, the ICFR programme has focused predominantly on embedding a consistent manual control framework in key financial business processes across the group as well as remediating priority control deficiencies identified as part of the prior year audit. The group has taken steps over the last year to significantly increase the size and capability of the group finance team, which has led to improvements in certain manual control activities and in management review controls. However, the continuing presence of outdated and overly complex systems, including both the consolidation and leases systems, means that significant manual interventions are required to arrive at the reported financials for group purposes and therefore the system of internal control remains inherently prone to error. The group continues to focus on remediating control failings within the general IT environment; with a transformation programme in the early stages of delivery. Given the pervasiveness of the control weaknesses on our audit approach, the control environment (including IT controls) has been identified as a key audit matter.

Independent Auditor's Report continued

How the scope of our audit responded to the key audit matter	We adopted a fully substantive audit approach, with no reliance placed on internal controls. Given our understanding both from the prior year audit and in relation to the extent of the changes implemented by the group since then, our expectation was that the deficiencies would still remain and we accordingly designed our audit from the outset to respond to the deficiencies within the control environment. Consequently, the nature, timing and extent of our audit procedures were designed to address the pervasive risks arising from the deficiencies in the control environment (including IT controls). Specifically: – We have used a lower performance materiality (being 50% of materiality) than would ordinarily be used if the control environment had been deemed effective. This increased the volume of substantive testing completed (see section 6 below for our materiality assessment); – We performed additional procedures to identify and address fraud risks, including the involvement of a forensic specialist. Where key audit matters include a risk of fraud, the risks identified, and procedures performed are detailed within the key audit matters set out below; – We performed walkthroughs of the group's key business processes and obtained an understanding of the key controls we identified as a result, considering where improvements had been made, or where control gaps continue to exist; – We assessed the control deficiencies identified by management as a result of the ICFR programme and from our understanding of key controls and, where necessary, designed specific audit procedures to mitigate the associated risks. We also held regular meetings with Internal Audit and key members of the JD Controls team throughout the period to understand the progress of management's controls project and consider the implications for our audit; – Senior members of the audit team have performed audit testing directly in the more complex areas of accounting, including: IFRS 16 overlay adjustments and the audit of the group's consolidation (see 5.3 key audit matter below); – We increased the levels of review by more senior members of the audit team and involved a forensic specialist in helping to determine journals with characteristics of audit interest which may be indicative of management override of controls. These characteristics included key word searches, round sum journals, infrequent postings and journals to unrelated accounts; – We utilised data analytics in our testing, particularly with regards to revenue where there are large volumes of transactional data. We have performed sample testing on the underlying transactional data used in this analysis in order to assess its completeness and accuracy, given the IT control deficiencies noted above. We have used spreadsheet analysing tools to detect formula errors and other anomalies. We have also engaged modelling specialists to assist us in evaluating the integrity of the consolidation (see 5.3 key audit matter below); – We leveraged the fact that the group finalises its financial statements later than is expected for an entity of its size and scale and assessed the appropriateness of year end judgements with a longer hindsight period; and – Given the significant level of uncorrected audit misstatements identified in the prior year, senior members of the engagement team have analysed these and challenged management on their correction of such errors in the current year. We also analysed the errors identified in the prior year to identify if similar errors existed in the current year.
Key observations	The group finance function has grown in the year, with a number of new permanent members of the finance team now in place. However, as these team members were only in role from part way through the financial year, time is required for personnel to fully embed to have a wider impact on the control environment and finance function. The key areas where management has identified that further work is required to embed a consistent control framework across the group and remediate the priority control deficiencies are set out on page 106 of the Audit & Risk Committee Report. Specifically, the group has identified that implementing new consolidation and lease systems is key to delivering the improvements required. We appropriately increased the scope of our audit procedures to address the risks identified.

5.2 Valuation of Genesis put and call options (the "Genesis Option")(Group and Parent Company)	
Key audit matter description	As at 1 February 2025, the net present value of the gross purchase obligation on the group consolidated balance sheet for the Genesis option was £831m and the fair value for the Genesis option recognised on the parent company balance sheet was £255m. The group has granted certain previous owners of its acquired US businesses, who have a continuing non-controlling interest in the wider JD US consolidated business (the 'Genesis business'), with options allowing them to sell their interest to the group (a put option) in tranches at future dates. The group also has the opportunity to buy the previous owners' interest via a call option, on near identical terms as the put option, with the only difference being the exercise dates. IFRS Accounting Standards requires these option contracts to be valued and accounted for as a gross obligation in the group financial statements (reflecting the expected cost of purchasing the non-controlling interest), whereas they are accounted for as a derivative measured at fair value in the parent company financial statements (reflecting the extent to which the option is in or out of the money, which is dictated predominantly by the pre-defined EBITDA multiple in the contract). The requirements of IFRS Accounting Standards, and the valuation modelling undertaken to arrive at accounting entries, are inherently complex, and the valuation is materially sensitive to inputs which are subject to judgement and/or estimate (notably, the forecast profitability of the Genesis business). The financial statements (note 25b and C14) disclose the sensitivity as estimated by the group and the parent company. Management has engaged a third-party valuations specialist to assist in valuing both the gross obligation and the fair value option using a Monte Carlo Simulation model. This is an area where we have directed significant levels of audit resource, including using specialists, and we have therefore identified this as a key audit matter, specifically in relation to the forecast revenue growth used within the EBITDA multiple underpinning the valuation model on the basis that the model is sensitive to this unobservable input.
How the scope of our audit responded to the key audit matter	To respond to this key audit matter, we have: – Obtained an understanding of the relevant controls over the valuation and accounting for the Genesis option; – Read the option agreement between JD Sports and the non-controlling interest shareholders of the Genesis business and assessed and challenged the appropriateness of the accounting for the put and call option based on the terms of the contract; – Challenged the appropriateness of key assumptions used in the valuation model. Specifically, we have challenged the appropriateness of revenue growth assumptions, gross margin and operating costs against industry expectations, historical performance and peers. We have also considered post year-end performance of the Genesis business as part of our assessment of the reasonableness of the business forecasts; – Tested management's historical forecasting accuracy, by comparing previous forecasts against actual performance; – Engaged our valuations specialists to evaluate the Genesis option valuations, covering both methodology and key valuation assumptions applied; – Assessed the amendments made to the option agreement after the year end date for potential current year implications; and – Assessed whether the disclosures in relation to the Genesis option, including subsequent events, comply with the requirements of the accounting standards.
Key observations	We concluded that the valuation of the Gensis option is appropriate in both the group and parent company financial statements.

Independent Auditor's Report continued

5.3 Accuracy of the group consolidation – including the IFRS 16 overlay adjustments (group)	
Key audit matter description	The group's consolidation process involves more manual steps than would be typical for an organisation of JD's size and scale and is performed in a legacy IT system called Controller which provides limited transparency as to the mechanics of the consolidation process. As set out in the Audit & Risk Committee Report on pages 106 to 111, the manual nature of the consolidation and volume of the consolidation adjustments makes this process complex. There are over 1,200 consolidation journals, of which around 70% are manual. In addition to standard consolidation adjustments (such as to eliminate the group's investment in subsidiaries and intercompany loans and transactions), many of the consolidation journals are legacy items (relating to historic acquisitions, for instance) which are rolled forward each year. IFRS 16 overlay adjustments are also manually posted through the consolidation, since the group's components still report their results to the group using principles from the previously applicable accounting standard, IAS 17. The translation of the group's foreign currency subsidiaries into the Sterling reporting currency at year end is also performed manually. Given the manual nature of the consolidation, and the volume of consolidation journals recorded, we have identified the mechanical accuracy of the consolidation process as a key audit matter, specifically in relation to changes in the ownership structure (acquisitions, disposals and non-controlling interest buy outs), foreign currency translation amounts, the validity of legacy consolidation adjustments and the appropriateness of IFRS 16 overlay adjustments. The accuracy of the group's consolidation has also been identified as a potential fraud risk due to the level of manual intervention.
How the scope of our audit responded to the key audit matter	To respond to this key audit matter, we have: – Obtained an understanding of the controls relating to the consolidation process; – Engaged our data analytics team in rebuilding the consolidation to assess whether the Controller model is arithmetically accurate and whether the consolidation journals reconcile and are complete; – Compared the nature and type of consolidation journals in the current year to the consolidation journals in the prior period. Where there are differences in the journals year on year, we challenged management as to whether legacy consolidation adjustments remain appropriate, based on the current group structure; – Sample tested the consolidation journals. We have tested the sampled journals by challenging the reason for the adjustment and agreeing the details of the adjustment back to source documents; – Reperformed the foreign currency translation of the overseas components into Sterling reporting currency and assessed whether the requirements of IAS 21 are being followed. We have agreed the underlying data in the calculation back to source; – Reperformed the changes in the ownership structure calculations at the year end and compared our calculation to the Controller balances to assess whether the reported numbers are complete and accurate; and – Understood the nature of the IFRS 16 overlay adjustments and tested a sample back to source documentation. In addition, we have performed a stand back assessment of the final right of use asset and lease liability reported in the consolidation and tested whether they reconcile with the balances reported in the lease accounting system (Horizon) and determined whether the legacy IAS 17 accounting entries have been properly eliminated.
Key observations	We are satisfied that the year-end consolidation, foreign exchange translations and non-controlling interest accounting are materially accurate. Similarly, we are satisfied that the overlay adjustments for IFRS 16 accounting are materially correct, and that there are no missed leases following our stand back assessment.

5.4 Acquisition accounting in respect of Hibbett	
Key audit matter description	On 25 July 2024, the group acquired 100% of the outstanding share capital of Hibbett for a price of $87.50 per share in cash, implying an equity value of $1.1bn (£898m) and an enterprise value of $1.1bn (£898m), as per note 11. The purchase price was allocated to the assets acquired and liabilities assumed based on their respective fair values in accordance with IFRS Accounting Standards. The purchase price allocation (PPA) assessment is complex and involved both management judgement and the use of forward-looking estimates. Management engaged third party specialists to assist them in the valuation. The key estimate in the PPA was the valuation of the Hibbett fascia name (£175m). The fair value estimate for the Hibbett fascia was based on the 'relief from royalty' method which calculates the present value of hypothetical royalty payments that would be saved by owning the asset rather than licencing it. The valuation of the royalty rate assumption is highly sensitive with a significant level of management judgement required to determine the rate applied. Additional complexities were noted as part of the Hibbett acquisition, given their historical reporting under US GAAP and the required conversion to IFRS Accounting Standards for group reporting purposes. This was made increasingly complex due to the number of leases to be transitioned. The values of identified assets and liabilities that have been recognised are provisional, and there is a measurement period of one year from the date of acquisition to adjust the provisional values recognised from the business combination. The Audit Committee's discussion of this matter is set out on page 106. Given the level of judgement and the impact on our allocation of resources in the audit, we identified the valuation of the Hibbett fascia name and the accounting adjustments as a key audit matter.

How the scope of our audit responded to the key audit matter	To respond to this key audit matter, we have:
	
	– Obtained an understanding of internal controls over the valuation of the acquired assets. For example, we evaluated the controls over management's review of the valuation methodologies and the significant assumptions including royalty rate used to develop the fair value estimate;
	– Evaluated the competence, capabilities, and objectivity of management's specialists to assist in valuing these assets; read management's valuation reports to identify corroborative or contradictory evidence to the fair value estimates;
	– Engaged internal valuation experts to evaluate the appropriateness of valuation techniques and the reasonableness of certain key assumptions utilised, specifically:
	  – For the royalty rate assumed, we reviewed comparable royalty transactions prepared by management and agreed the selected royalty rate to the comparable licencing agreements, we performed independent benchmarking analysis; and
	  – We evaluated the Hibbett fascia name valuation derived utilising the relief from royalty method by testing an alternative multi-period excess earnings method valuation model prepared by management's specialist;
	– Tested the opening balances acquired and agreed a sample of accounts to underlying data including performing inventory counts on the acquired balance;
	– Tested the completeness and accuracy of the models as well as underlying data used in determining the value of the Hibbett fascia name;
	– Assessed the prospective financial information by comparing management assumptions to historical data and pre-acquisition guidance to the market. We considered if these assumptions were consistent with what market participants would use in pricing the item;
	– Evaluated the sufficiency and appropriateness of the audit evidence obtained from our procedures as well as the consistency of that evidence with other audit evidence obtained and evaluated during the audit;
	– Exercised a heightened level of oversight over the audit work performed at the Hibbett component, including an additional component visit during the planning phase immediately after the acquisition;
	– Evaluated the presentation of PPA related costs as adjusting items; and
	– Challenged the inclusion of leases under IFRS 16 and whether the appropriate transition adjustments had been made.

Key observations	Based on our audit procedures, we concluded that the key estimates underpinning the acquisition accounting exercise including the valuation of the Hibbett fascia name, and US GAAP to IFRS Accounting Standards adjustments, were reasonable.

Independent Auditor's Report continued

6. Our application of materiality

6.1 Materiality

We define materiality as the magnitude of misstatement in the financial statements that makes it probable that the economic decisions of a reasonably knowledgeable person would be changed or influenced. We use materiality both in planning the scope of our audit work and in evaluating the results of our work.

Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

	Group financial statements	Parent Company financial statements
Materiality	£42.0m (2024: £46.0m)	£48.0m (2024: £22.3m)
Basis for determining materiality	We determined materiality on the basis of 5% (2024: 5%) of adjusted profit before tax, but without adjustment for the amortisation of acquired intangibles and the non-cash impact of purchase price allocation adjustments; we have added these back for the purpose of determining materiality. Our metric for determining materiality is therefore the pre-tax profit adjusted for impairment charges, the movement in put/call options, and restructuring activity associated with the group's acquisitions and disposals. Further information on these items is set out in Note 4.	We have determined company only materiality as 2% of net assets. In the prior year we determined this to be 5% of adjusted profit before tax of the parent company. For the purposes of the group audit, we identified the parent company as two components. Component-level work was performed at component performance materiality levels lower than group performance materiality.
Rationale for the benchmark applied	We have determined materiality based on profit before tax excluding adjusting items that do not represent the normal continuing operations of the group. Management consider adjusted profit before tax to be a key performance indicator, however, we have determined that an add back is required for both amortisation of acquired intangibles and non-cash PPA costs when computing materiality to provide a consistent basis with prior periods. Our determined materiality represents 0.4% (2024: 0.4%) of the group's revenue from continuing operations and 1.2% (2024: 1.6%) of net assets.	While the parent company holds trading activity, we changed the basis for determining parent company materiality in the current year to net assets. This was to align to shareholders' primary interest in the parent company's financial statements, and their focus on the distributable reserves and liquidity of the business.

6.2 Performance materiality

We set performance materiality at a level lower than materiality to reduce the probability that, in aggregate, uncorrected and undetected misstatements exceed the materiality for the financial statements as a whole.

	Group financial statements	Parent Company financial statements
Performance materiality	50% (2024: 50%) of group materiality	50% (2024: 50%) of parent company materiality
Basis and rationale for determining performance materiality	In determining performance materiality, we considered the following factors: – Our risk assessment, including our assessment of the group's overall control environment in light of the number of control deficiencies identified in the prior year audit (as detailed within the key audit matter above); and – The results of our prior year audit, including the value and quantum of corrected and uncorrected misstatements, as well as the number of prior year errors identified in our first-year audit, and our expectation of the likelihood of misstatements recurring in the current year as a result of continuing control deficiencies.	

6.3 Error reporting threshold

We agreed with the Audit and Risk Committee that we would report to the Committee all audit differences in excess of £2.1m (2024: £2.3m), as well as differences below that threshold that, in our view, warranted reporting on qualitative grounds. We also report to the Audit and Risk Committee on disclosure matters that we identified when assessing the overall presentation of the financial statements.

7. An overview of the scope of our audit

7.1 Identification and scoping of components

The group operates in the North America, UK, Europe and Asia Pacific, with the acquisitions in the current year increasing operations in both North America (Hibbett) and Europe (Courir). The group operates a Shared Service Centre ('SSC') in the UK which performs the finance function for some of its UK and European entities.

We have adopted a risk-based approach to the audit of the group financial statements. This emphasises the development of a tailored audit plan for each significant account, shifting from the previous approach which focussed on individually significant components.

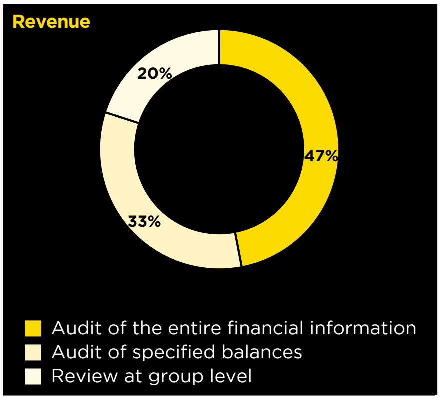
In selecting the components which are in scope for audit procedures to be performed as part of the group audit, we considered:

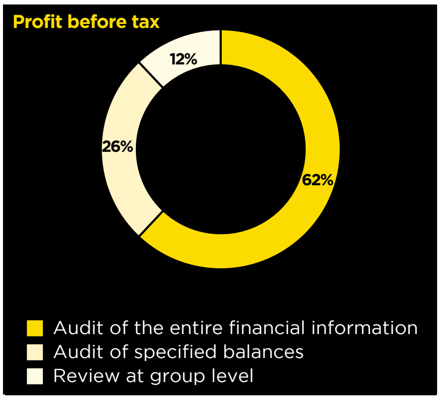
- The group's control environment;
- The significance of identified risks in each of the components;
- The component's contribution to the group's revenue, profit and total assets;
- The specific qualitative factors, including external risks, management identified risks, and those identified through statistical analysis;
- The nature of any acquisitions and disposals within the year; and
- The importance of introducing variability and unpredictability into our audit scoping.

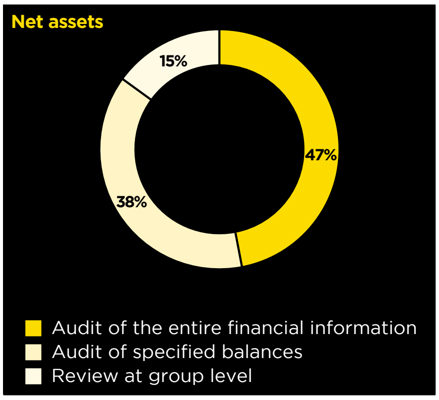
JD Sports Fashion Plc (head office) and JD UK were subject to audits of entire financial information in the UK, as were the Finish Line and Hibbett components in the US. A further 15 components in North America, UK, Europe and Asia Pacific were subject to audits of specified account balances. In the prior year, our audit scope was primarily focussed on the audit of 16 components, with seven full scope components and nine components subject to specified balances.

In addition, audit procedures were performed on corporate activities such as the group's treasury operations, impairment reviews of goodwill, intangibles and store impairment, IFRS 16 overlay adjustments, put and call option valuation, the acquisition accounting for Courir, one-off transactions such as divestments, litigation and legal reviews, going concern and viability assessments, the group consolidation and financial statement disclosures. At the group level we also performed residual balance analysis and analytical review, evaluating the coverage achieved across significant accounts and key metrics and considering its proportion to group materiality to ensure the risk of material misstatement in the residual population is remote.

The components which were scoped in for procedures on audit of the entire financial information or audits of specified balances together represent 80% (2024: 91%) of revenue from continuing operations, 88% (2024: 95%) of profit before tax and 85% (2024: 96%) of net assets. The level of coverage has reduced from the prior year; due to the prior year being our first-year audit engagement, we deliberately included an increased level of balances in scope for audit procedures. As our understanding of the group and the associated audit risks has increased, we have adapted our scoping.







7.2 Our consideration of the control environment

The group's operations utilise a range of information systems which underpin the financial reporting process. For all components that were subject to an audit of entire financial information and an audit of specified balances, we obtained an understanding of the relevant IT systems for the purpose of our audit work. We identified the main finance systems, inventory systems and in-store transaction processing systems as the key IT systems relevant to our audit.

For the in-scope IT systems, we engaged our IT audit specialists to evaluate the IT systems. A number of IT control deficiencies have been identified during the course of both the prior year and current year audit work. The remediation of these controls is part of management's IT Transformation Project, further details of which are set out on page 46.

As a result of these findings (and the other control deficiencies mentioned in section 5.1 above), we were unable to adopt a controls reliance audit approach. As described by the Audit and Risk Committee in its Report on page 106, management has implemented a controls improvement project to strengthen the group's control environment. This project commenced in FY22 and remained ongoing at the year end. Accordingly, we designed our audit from the outset to respond to the deficiencies within the control environment. Consequently, the nature, timing and extent of our audit procedures were designed to address the pervasive risks arising from the deficiencies in the control environment (including IT controls).

As set out in the Audit and Risk Committee report on pages 106 to 111, the group's continued ICFR programme is focused in the near term on controls over financial reporting and IT systems, to enable readiness to make an appropriate declaration under provision 29 of the UK Corporate Governance Code.

Independent Auditor's Report continued

7.3. Our consideration of climate-related risks

As highlighted in management's Task Force on Climate Related Financial Disclosures (TCFD) report on pages 57 to 64 and the principal risks on pages 44 to 53, the group is exposed to the impacts of climate change on its business, operations and supply chain. The group has set targets to reduce their scope 1 and 2 emissions and continues to develop its assessment of the potential impact of climate change, including a scope 3 emissions reduction plan. Management considered that the most likely impact on the financial statements will be in relation to its five-year plan cash flow forecasts, however, they do not consider there to be a material impact as a result of considering climate change. Whilst at this stage there is significant uncertainty regarding what the long-term impact of climate change initiatives may be, the forecasts reflect management's assessment of their best estimate made in the financial statements as explained in note 1.

As part of our audit procedures, we held discussions with management to understand the process of identifying climate-related risks, the determination of mitigating actions and the impact on the group's financial statements. We completed an independent climate-based risk assessment to consider the potential impact of climate change in the group's financial statements, including the extent to which climate change considerations have been included in the group's forecast financial information. We used this to assess the completeness of the group's identified risks and to develop audit procedures to respond to these risks, in particular, as part of our work in relation to impairment and long-term viability. Our procedures were performed with the involvement of our ESG specialists and included reading disclosures in the Strategic Report to consider whether they are materially consistent with the financial statements and our knowledge obtained in the audit. We have not been engaged to provide assurance over the accuracy of these disclosures.

7.4 Working with other auditors

We engaged component auditors in the UK, US, Spain, Australia, Poland and France to perform procedures at the components in these jurisdictions. The UK component auditors also performed procedures for those components included within the SSC. We issued detailed instructions to the component audits and held planning meetings, interim update meetings and year end close meetings with each component team.

Prior to the commencement of our detailed audit work we held virtual or physical planning meetings with our component teams, led by the group audit team. The purpose of these planning meetings was to enable a good level of understanding of the group's business, its core strategy, and a discussion of the significant risks applicable within each of the components and wider group.

The group audit team has continued component visits on a risk focussed and rotational basis to oversee the work performed by our component auditors. The locations visited in the current year were: US (covering Finish Line, Hibbett, DTLR Villa, Shoe Palace and Genesis Holdco), and Spain (covering JD Spain and Sprinter).

In conjunction with the on-site visits, frequent calls were held between the group and component teams through the year and remote access to relevant documents was provided. Senior members of the group audit team were focussed on overseeing the role of the component audit teams, so that a consistent audit approach was applied to the operations in the group business.

8. Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated.

If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

9. Responsibilities of directors
As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.
In preparing the financial statements, the directors are responsible for assessing the group's and the parent company's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

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

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

11. Extent to which the audit was considered capable of detecting irregularities, including fraud
Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

11.1 Identifying and assessing potential risks related to irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- the nature of the industry and sector, control environment and business performance including the design of the group's remuneration policies, key drivers for directors' remuneration, bonus levels and performance targets;
- the group's own assessment of the risks that irregularities may occur either as a result of fraud or error that was approved by the board on 29 April 2025;
- results of our enquiries of management, internal audit, the directors and the Audit and Risk Committee about their own identification and assessment of the risks of irregularities, including those that are specific to the group's sector;
- the group's assessment of related parties, segregation of duties and potential or perceived conflicts of interest;
- any matters we identified having obtained and reviewed the group's documentation of their policies and procedures relating to:
- identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
- detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
- the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations; and
- the matters discussed among the audit engagement team including component audit teams and relevant internal specialists, including tax, valuations, IT, and forensic regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud in the following areas: fraud in revenue recognition, and the accuracy of the group consolidation. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

We also obtained an understanding of the legal and regulatory framework that the group operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the relevant laws and regulations applicable to the group (including its components) and the sector it operates in, such as UK Companies Act, Listing Rules and tax legislation.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the group's ability to operate or to avoid a material penalty. We identified the following areas as those most likely to have such an effect: competition and anti-bribery laws, data protection laws, certain aspects of company legislation recognising the regulated nature of the group's activities, employment law, advertising standards, environmental and health and safety regulations.

Independent Auditor's Report continued

11.2. Audit response to risks identified

As a result of performing the above, we identified the accuracy of the group consolidation as a key audit matter related to the potential risk of fraud. The key audit matters section of our report explains the matter in more detail and also describes the specific procedures we performed in response to that key audit matter.

In addition to the above, our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- enquiring of management, the Audit and Risk Committee, in-house and external legal counsel concerning actual and potential litigation and claims;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reading minutes of meetings of those charged with governance, reviewing internal audit reports and reviewing correspondence with regulators including HMRC;
- in addressing the risk of fraud in revenue recognition, performing a sales to cash reconciliation and testing manual adjustments to revenue against underlying supporting documentation and verifying that there was a business rationale for each of the adjustments; and
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; assessing whether any unidentified related party transactions were identified; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members including internal specialists and component audit teams and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Report on other legal and regulatory requirements

12. Opinions on other matters prescribed by the Companies Act 2006

In our opinion the part of the directors' remuneration report to be audited has been properly prepared in accordance with the Companies Act 2006.

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the group and the parent company and their environment obtained in the course of the audit, we have not identified any material misstatements in the strategic report or the directors' report.

13. Corporate Governance Statement

The Listing Rules require us to review the directors' statement in relation to going concern, longer-term viability and that part of the Corporate Governance Statement relating to the group's compliance with the provisions of the UK Corporate Governance Code specified for our review.

Based on the work undertaken as part of our audit, we have concluded that each of the following elements of the Corporate Governance Statement is materially consistent with the financial statements and our knowledge obtained during the audit:

- the directors' statement with regards to the appropriateness of adopting the going concern basis of accounting and any material uncertainties identified (set out on page 53);
- the directors' explanation as to its assessment of the group's prospects, the period this assessment covers and why the period is appropriate (set out on page 52);
- the directors' statement on fair, balanced and understandable (set out on page 94);
- the board's confirmation that it has carried out a robust assessment of the emerging and principal risks (set out on page 44);
- the section of the annual report that describes the review of effectiveness of risk management and internal control systems (set out on page 46); and
- the section describing the work of the Audit and Risk Committee (set out on page 106).

14. Matters on which we are required to report by exception

14.1 Adequacy of explanations received and accounting records

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns.

We have nothing to report in respect of these matters.

14.2 Directors' remuneration

Under the Companies Act 2006 we are also required to report if in our opinion certain disclosures of directors' remuneration have not been made or the part of the directors' remuneration report to be audited is not in agreement with the accounting records and returns.

We have nothing to report in respect of these matters.

15. Other matters which we are required to address

15.1 Auditor tenure

Following the recommendation of the Audit and Risk Committee, we were appointed by the Board of Directors on 17 December 2024 to audit the financial statements for the 52-week period ended 1 February 2025 and subsequent financial periods. The period of total uninterrupted engagement including previous renewals and reappointments of the firm is 2 years, covering the periods ending 3 February 2024 to 1 February 2025.

15.2 Consistency of the audit report with the additional report to the Audit Committee

Our audit opinion is consistent with the additional report to the Audit and Risk Committee we are required to provide in accordance with ISAs (UK).

16. Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

As required by the Financial Conduct Authority (FCA) Disclosure Guidance and Transparency Rule (DTR) 4.1.15R – DTR 4.1.18R, these financial statements will form part of the Electronic Format Annual Financial Report filed on the National Storage Mechanism of the FCA in accordance with DTR 4.1.15R – DTR 4.1.18R. This auditor's report provides no assurance over whether the Electronic Format Annual Financial Report has been prepared in compliance with DTR 4.1.15R – DTR 4.1.18R.

Jane Boardman FCA (Senior statutory auditor)
For and on behalf of Deloitte LLP
Statutory Auditor
Manchester, UK

20 May 2025

Consolidated Income Statement

For the 52 weeks ended 1 February 2025

		52 weeks to 1 February 2025			Restated [1] 53 weeks to 3 February 2024		
	Note	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	4	**(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	3,4	**(520)**	**(137)**	**(657)**	(434)	(102)	(536)
Share of profit of equity-accounted investees	3,18	**5**	**–**	**5**	8	–	8
Other operating income	3	**25**	**–**	**25**	30	–	30
Operating profit		**1,049**	**(146)**	**903**	1,029	(102)	927
Finance income	7	**27**	**–**	**27**	39	–	39
Finance expenses	4,8	**(153)**	**(62)**	**(215)**	(102)	6	(96)
Impairment loss on financial assets	4	**–**	**–**	**–**	–	(59)	(59)
Net finance expense		**(126)**	**(62)**	**(188)**	(63)	(53)	(116)
Profit before tax	3	**923**	**(208)**	**715**	966	(155)	811
Income tax expense	9	**(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	29			**50**			66
Basic earnings per ordinary share	10			**9.50p**			10.45p
Diluted earnings per ordinary share	10			**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 4 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 reclassified subsequently to the Consolidated Income Statement:		
Exchange differences on translation of foreign operations	**28**	(31)
Items that won't be reclassified 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 these financial statements.

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	13	**2,364**	1,429
Property, plant and equipment	14	**1,490**	1,152
Investment properties	15	**3**	3
Right-of-use assets	16	**2,813**	2,297
Other assets	17	**71**	54
Investments in associates and joint ventures	18	**1**	44
Other Investments	19	**38**	–
Trade and other receivables	21	**1**	1
Deferred tax assets	27	**32**	24
Total non-current assets		**6,813**	5,004
Current assets			
Inventories	20	**2,021**	1,593
Trade and other receivables	21	**277**	253
Income tax receivables		**55**	11
Cash and cash equivalents	22	**731**	1,153
Current assets excluding held-for-sale		**3,084**	3,010
Assets held-for-sale	37	**57**	34
Total current assets		**3,141**	3,044
Total assets		**9,954**	8,048
Current liabilities			
Interest-bearing loans and borrowings	23	**(88)**	(93)
Lease liabilities	16	**(493)**	(416)
Trade and other payables	25	**(1,580)**	(1,446)
Put and call option liabilities	25	**(188)**	–
Provisions	26	**(10)**	(8)
Income tax liabilities		**(20)**	(26)
Current liabilities excluding held-for-sale		**(2,379)**	(1,989)
Liabilities held-for-sale	37	**(50)**	(8)
Total current liabilities		**(2,429)**	(1,997)
Non-current liabilities			
Interest-bearing loans and borrowings	23	**(591)**	(37)
Lease liabilities	16	**(2,566)**	(2,068)
Other payables	25	**(145)**	(155)
Put and call option liabilities	25	**(669)**	(810)
Provisions	26	**(27)**	(22)
Deferred tax liabilities	27	**(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	28	**3**	3
Share premium	28	**468**	468
Retained earnings		**2,633**	2,214
Share based payment reserve	28, 33	**4**	3
Foreign currency translation reserve	28	**91**	71
Put and call option reserve	25, 28	**(277)**	(302)
Total equity attributable to equity holders of the parent		**2,922**	2,457
Non-controlling interest	29	**450**	412
Total equity		**3,372**	2,869

The accompanying notes form part of these financial statements. These financial statements were approved by the Board of Directors on 20 May 2025 and were signed on its behalf by:

Régis Schultz

Director

Registered number: 1888425

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 interests	–	–	129	72	–	–	**201**	–	**201**
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 (Note 19)	—	—	4	–	–	–	**4**	–	**4**
Total comprehensive income for the period	–	–	494	–	–	20	**514**	58	**572**
Dividends to equity holders (Note 30)	–	–	(48)	–	–	–	**(48)**	–	**(48)**
Lapsed and disposed put options held by non-controlling interests	–	–	(10)	25	–	–	**15**	–	**15**
Acquisition of non-controlling interest (Note 11)	–	–	(17)	–	–	–	**(17)**	(16)	**(33)**
Divestment of non-controlling interest (Note 12)	–	–	–	–	–	–	**–**	(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 these financial statements.

Consolidated Statement of Cash Flows

For the 52 weeks ended 1 February 2025

	Note	**52 weeks to 1 February 2025 £m**	53 weeks 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]	35	**1,084**	846
Cash generated from operations		**1,624**	1,451
Interest paid	8	**(41)**	(18)
Lease interest paid	8,16	**(112)**	(84)
Income taxes paid		**(243)**	(209)
Net cash from operating activities		**1,228**	1,140
Cash flows from investing activities			
Interest received	7	**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	18	**5**	–
Cash consideration of disposals (net of cash disposed)	12	**95**	(54)
Acquisition of subsidiaries (net of cash acquired)	11	**(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	16,34	**(420)**	(400)
Deferred consideration paid		**–**	(5)
Acquisition of non-controlling interests	11	**(37)**	(552)
Equity dividends paid	30	**(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	34	**(407)**	(419)
Cash and cash equivalents at the beginning of the period[2]	34	**1,102**	1,549
Foreign exchange losses on cash and cash equivalents	34	**–**	(28)
Cash and cash equivalents at the end of the period[2]	34	**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 35.

(2) Cash and cash equivalents at 1 February 2025 includes £nil million (3 February 2024: £75 million) within assets held-for-sale (see Note 34 and Note 37).

The accompanying notes form part of these financial statements.

Notes to the Consolidated Financial Statements

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

These Group financial statements have been prepared in accordance with UK-adopted International Accounting Standards.

The financial statements are presented in Pounds Sterling, rounded to the nearest million in the current period. The Group has changed the presentation of numerical disclosures from one decimal place to whole numbers to enhance clarity and consistency across financial reporting. Prior period comparatives have been restated accordingly.

The financial statements have been prepared on a going concern basis, under the historical cost convention, except for the revaluation of certain financial instruments.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements and have been applied consistently by all Group entities.

The Group's business activities, together with the factors likely to affect its future development, performance and position are set out in the Strategic Report on pages 2 to 87. In addition, details of financial instruments and exposures to interest rate, foreign currency, credit and liquidity risks are outlined in Note 24.

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) (see Note 34). The Group has committed UK borrowing facilities of £700 million (3 February 2024: £700 million) that are available up to 6 November 2026 (see Note 23), 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 which 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, please refer to Note 23. 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 (further details of which are contained in Note 23). 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.

Notes to the Consolidated Financial Statements continued

1. Basis of Preparation continued

Basis of Consolidation

I. Consolidation

The Consolidated Financial Statements comprise the financial statements of the Company and its subsidiaries as at 1 February 2025. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if, and only if, the Group has:

- Power of the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee).
- Exposure, or rights, to variable returns from its involvement with the investee.
- The ability to use its power over the investee to affect its returns.

Generally, there is a presumption that a majority of voting rights results in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement(s) with the other vote holders of the investee.
- Rights arising from other contractual arrangements.
- The Group's voting rights and potential voting rights.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the period are included in the Consolidated Financial Statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income ('OCI') are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, non-controlling interest and other components of equity, while any resultant gain or loss is recognised in the Consolidated Income Statement. Any investment retained is recognised at fair value.

II. Associates and Joint Ventures

The Group's interests in equity accounted investees comprise interests in associates and joint ventures. Associates are those entities in which the Group has significant influence, but not control or joint control, over the financial and operating policies. A joint venture is an arrangement in which the Group has joint control over the financial and operating policies.

Interests in associates and joint ventures are accounted for using the equity method and are initially recognised at cost and subsequently a provision for impairment is recognised where appropriate. Subsequent to initial recognition, the Consolidated Financial Statements include the Group's share of the profit or loss and other comprehensive income of equity accounted investees, until the date on which significant influence or joint control ceases.

III. Transactions Eliminated on Consolidation

Intra-group balances, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the Consolidated Financial Statements.

IV. Employee Benefit Trust

An Employee Benefit Trust is operated by the Group and Company and is considered to be a special purpose entity in which the substance of the relationship is that of control by the Group in order that the Group may benefit from its control. The assets held by the trust are consolidated into the Group.

Changes in Ownership Interest Without a Loss of Control

In accordance with IFRS 10 'Consolidated Financial Statements', upon a change in ownership interest in a subsidiary without a loss of control, the carrying amounts of the controlling and non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to the owners of the parent. Acquisitions or disposals of non-controlling interests are therefore accounted for as transactions with owners in their capacity as owners and no goodwill is recognised as a result of such transactions.

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.

Notes to the Consolidated Financial Statements continued

1. Basis of Preparation continued

Alternative Performance Measures continued

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 4. Further information can be found in the Alternative Performance Measures section on pages 246 to 252.

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 4 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).

IFRS 18 will replace IAS 1 'Presentation of Financial Statements' and become effective on 1 January 2027. IFRS 18 will introduce five new requirements on presentation and disclosure in the financial statements, with a focus on the income statement and reporting of financial performance. Income and expenses in the income statement will be classified into five categories – operating, investing, financing, income taxes and discontinued operations. Two new subtotals will be presented: 'Operating profit or loss' and 'Profit or loss before financing and income tax'.

IFRS 18 will also require disclosures about management-defined performance measures in the financial statements and disclosure of information based on enhanced general requirements on aggregation and disaggregation.

The Group is currently assessing the impact of IFRS 18. The group's assessment remains ongoing and further changes upon the implementation of IFRS 18 may be required.

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.

Accounting Policies

Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of price discounts and sales-related taxes.

I. Goods Sold Through Retail Stores and Trading Websites

In the case of goods sold through retail stores and trading websites, revenue is recognised when goods are sold, meaning the performance obligation of the transaction has been satisfied, less provision for returns, and discounts applied. A separate right of return asset is recognised. Accumulated experience is used to estimate and provide for such returns at the time of the sale. The refund liability due to customers on return of their goods is recognised in a separate refund liability category. Retail sales are typically paid by cash, debit card or credit card.

For online sales, performance obligations are deemed to be satisfied when the goods are delivered to the customer.

For online click and collect orders, where the customer pays online but collects in store, performance obligations are deemed to be satisfied when the goods are collected by the customer.

For reserve and collect orders, where the customer reserves online but pays at the point of collection from the store, performance obligations are deemed to be satisfied when the goods are collected by the customer.

JD Status

JD Cash issued by the Group when a JD Status customer purchases goods is a separate performance obligation providing a material right to a future discount. The total sales price of goods is allocated to JD Cash and goods sold based on their relative standalone selling prices. The amount allocated to JD Cash is provided for as a contract liability in trade and other payables. This deferred income is then recognised when JD Cash is used by the JD Status member.

II. Wholesale Revenue

Wholesale revenue is recognised when goods are dispatched, meaning that the performance obligations have been met and control over a product has passed to the customer. In some instances, goods are sold with a right of return. Where wholesale goods are sold with a right of return, a provision is made to estimate the expected level of returns based on accumulated experience and historical rates. The refund liability due to customers on return of their goods is recognised in a separate refund liability category. Wholesale sales are either settled by cash received in advance of the goods being dispatched or made on agreed credit terms.

III. Subscription and Joining Fee Revenue

Revenue from the sale of fitness and leisure club memberships is recognised in the period the membership relates to. This revenue is recognised over time, on a straight-line basis over the expected duration of the membership. For new club openings, memberships are sold and joining fees are collected in the period before the new club is opened. Membership income received in advance of the club opening is deferred until the club is open and then recognised on an accruals basis over the related membership period.

IV. Gift Cards

The initial sale of a gift card is treated as an exchange of tender, with the revenue recognised when the cards are redeemed by the customer. Revenue from gift card breakage is recognised when the likelihood of the customer utilising the gift card becomes remote. The liability relating to gift cards not yet redeemed is included within other payables and accrued expenses.

Notes to the Consolidated Financial Statements continued

1. Basis of Preparation continued
Accounting Policies continued
Selling and Distribution Expenses
Selling and distribution expenses are classified based on their function within the Group. Selling and distribution expenses include all costs associated with the marketing and distribution of the Group's goods and services. These expenses include advertising and promotional activities, costs relating to stores and warehouses (e.g. staff costs, rents and rates, bank and credit card charges, store security), depreciation and amortisation of assets used in commercial operations, online channel costs, and logistics and distribution-related costs.

Administrative Expenses
Administrative expenses comprise overhead costs that are not directly attributable to specific sales, stores or distribution operations. These primarily relate to support functions at Head Office and within the Group's operating businesses, including finance, human resources, procurement, property, legal, and IT. Depreciation and amortisation of assets used by support functions are included here.

In addition, certain non-recurring or judgement-based charges, such as impairments of operational assets, are presented within administrative expenses where they reflect strategic decisions or significant changes in expected asset utility. While such assets may support commercial functions (e.g. distribution centres), the classification of impairment within administrative expenses ensures clarity and consistency in distinguishing between underlying operational costs and adjusting items.

Inventories
Inventories are stated at the lower of cost and net realisable value. Cost is based on the weighted average principle. An element of supplier rebates is deferred into inventory and released on a straight-line basis as the related inventory is sold.

The Group makes provisions for obsolescence, mark downs and shrinkage based on historical experience, the quality of the current season buy, market trends and management estimates of future events. The provision requires estimates for shrinkage, the expected future selling price of items and identification of aged and obsolete items.

Share-Based Payments
The Executive Directors and senior management receive an element of remuneration in the form of share-based payments. Share-based payments are measured at fair value at the grant date which is determined by the share price on the day preceding the grant date. The cost of share-based payments is recognised as an expense, together with a corresponding increase in equity, on a straight-line basis over the vesting period of the awards. The amount recognised as an expense is adjusted to reflect the number of awards for which the related service and non-market performance conditions are expected to be met, such that the amount ultimately recognised is based on the number of awards that meet the related service and non-market performance conditions at the vesting date. Further information is available in the Directors' Remuneration Report on page 114 and in Note 5.

An Employee Benefit Trust ('EBT') has been established to facilitate the acquisition of ordinary shares to fund share awards made to employees. The assets and liabilities of the EBT have been included in the Group and Company accounts. The assets of the EBT are held separately from those of the Company. The Group Consolidated Statement of Comprehensive Income does not recognise gains or losses on purchases or sales of own shares. The cost of shares acquired by the EBT is recognised within equity. The Trustee of the EBT has agreed to waive its rights to any and all dividends paid.

Assets Held-for-Sale and Disposals
Non-current assets, or disposal groups comprising assets and liabilities, are classified as held-for-sale if all of the following criteria is met in line with IFRS 5.

- The carrying amount is expected to be recovered through the sale transaction
- It is available for sale in its present condition
- The Group had committed to sell and this sale plan had been initiated
- It is being actively marketed at a price that is reasonable in relation to its fair value
- There is an expectation that the sale process would be completed within 12 months of the classification as held-for-sale.

Such assets, or disposal groups, are measured at the lower of their carrying amount and fair value less costs to sell. Any impairment loss on a disposal group is allocated first to goodwill, and then to the remaining assets and liabilities on a pro-rata basis, except that no loss is allocated to inventories, financial assets, deferred tax assets or investment property, which continue to be measured in accordance with the Group's other accounting policies. Impairment losses on initial classification as held-for-sale and subsequent gains and losses on remeasurement are recognised in the Consolidated Income Statement. Once classified as held-for-sale, intangible assets and property, plant and equipment are no longer amortised or depreciated. On disposal, the balances are derecognised and the profit or loss on disposal is recognised in the Consolidated Income Statement as an adjusting item.

Notes to the Consolidated Financial Statements continued

1. Basis of Preparation continued
Accounting Policies continued
Supplier Rebates
Supplier rebates include promotion cost contributions and marketing initiative support and are recognised in the Consolidated Financial Statements when they are contractually agreed with the supplier and can be reliably measured. Such rebates typically relate to the launch of such initiatives and therefore rebate income is typically recognised as a reduction to cost of sales across the period in which launch costs are recognised.

Contributions towards store fixtures are recognised as a credit within the Consolidated Income Statement within the period in which they are received. Other rebates are agreed with suppliers retrospectively once specific targets have been achieved and recognised after the end of the relevant supplier's financial year.

Climate Change
In preparing the Consolidated Financial Statements, the Group has considered the potential impact of climate change, particularly in the context of the climate-related risks identified in the Task Force on Climate-related Financial Disclosures (TCFD) section as set out on page 57, on its financial performance and position.

There has been no material impact identified on the financial reporting judgements and estimates. In particular, the Group considered the impact of climate change in respect of forecast cash flows for the purposes of impairment assessments of non-current assets, and the useful lives of certain assets. Whilst there is currently little short to medium-term impact expected from climate change, the Directors are aware of the changing nature of risks associated with climate change and will regularly assess these risks against judgements and estimates made in preparation of the Group's financial statements.

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 4. Further information about metrics that the Group utilise which exclude adjusting items can be found in the Alternative Performance Measures section on pages 246 to 252.

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. See Note 25b for the full accounting policy. 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 25b.

Notes to the Consolidated Financial Statements continued

2. Segmental Analysis

IFRS 8 'Operating Segments' requires the Group's segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by the Chief Operating Decision Maker (CODM) to allocate resources to the segments and to assess their performance. The CODM is considered to be the Chief Executive Officer of JD Sports Fashion Plc. Information reported to the CODM is focused on the nature of the businesses within the Group.

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.

The CODM receives and reviews segmental operating profit. Certain central administrative costs including Group Directors' salaries are included within the JD UK operating segment. This is consistent with the results as reported to the CODM. IFRS 8 requires disclosure of information regarding revenue from major customers. The majority of the Group's revenue is derived from the retail of a wide range of apparel, footwear and accessories to the general public. As such, the disclosure of revenues from major customers is not applicable.

The Group's reportable segments under IFRS 8 are 'JD', 'Complementary Concepts' and 'Sporting Goods and Outdoors'. In accordance with IFRS 8.12, the Group have aggregated several operating segments with similar economic characteristics into each of the reportable segment, while remaining consistent with core principles of IFRS 8.

When aggregating operating segments into reportable segments, the Group considered:

- IFRS 8.12.a the nature of products or services
- IFRS 8.12.c the type or class of customer
- IFRS 8.12.d the methods used to distribute their products.

A summary of each reportable segment is below:

JD

The JD brand is no.1 priority and the Group have three growth pillars for our JD Brand First strategy: accelerating the opening of, and conversion to, JD stores across North America; accelerating the opening of, and conversion to, JD stores in Europe; and expanding the JD brand further by entering new markets through either acquisition or franchise. To be consistent with strategy, the key areas of growth are North America and Europe.

The entities aggregated within the JD reportable segment are key revenue lines for the Group and areas of increased focus and investment. Although the entities within this segment operate in various territories, they all have similar characteristics as well-established, leading retailers or wholesalers of footwear, apparel and accessories from a mix of international sports fashion brands and private labels. All entities included in JD target a similar demographic in terms of both age range and an aspiration to achieve a certain style whether the product is used for lifestyle wear or active sports participation.

Complementary concepts

The Group's Complementary Concepts segment allows access to a wider customer base and maintenance of a segmented customer focus. The Group have two key pillars currently within this element of the strategy: growing community brands within North America and optimising the profitability of the MIG business within Europe.

The brands offered by these entities and consumer appeal is orientated to a different demographic as compared to the demographic targeted by the JD businesses, based on local trends and community fashion. Additionally these retailers have a different customer base than the other Group segments with products and services orientated to the local community as opposed to mass appeal. Stores are often (but not exclusively) smaller and located in smaller towns.

Sporting Goods and Outdoors

Sporting Goods and Outdoors include key retailers of the Group which focus on retailing specialist apparel, footwear and technical products for sporting and outdoor pursuits and differs to that of the JD and Complementary Concepts segments. The ISRG, Cosmos and Outdoor brands offered by these entities and consumer appeal is orientated to an older and / or family oriented demographic as well as technical equipment/apparel as compared to the younger and/or more style-focused demographic targeted by the JD/Complementary Concepts businesses.

Restatement of Previously Presented Information

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.

Notes to the Consolidated Financial Statements continued

2. Segmental Analysis continued

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.

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	Note	JD £m	Complementary Concepts £m	Sporting Goods and Outdoors £m	**Total £m**
Capital expenditure:					
Intangible assets (Software development)	13	21	1	6	**28**
Property, plant and equipment	14	397	44	37	**478**
Depreciation, amortisation and impairments:					
Amortisation of intangible assets	13	53	29	15	**97**
Depreciation of property, plant and equipment	14	172	27	31	**230**
Depreciation of right-of-use assets	16	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**

Notes to the Consolidated Financial Statements continued

2. Segmental Analysis continued

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
Inventories	959	307	327	**1,593**

Other segment information	Note	Restated[(1)] JD £m	Restated[(1)] Complementary Concepts £m	Restated[(1)] Sporting Goods and Outdoors £m	Restated[(1)] Total £m
Capital expenditure:					
Intangible assets (software development)	13	25	1	4	**30**
Property, plant and equipment	14	449	48	33	**530**
Depreciation, amortisation and impairments:					
Amortisation of intangible assets	13	29	14	30	**73**
Depreciation of property, plant and equipment	14	128	26	24	**178**
Depreciation of right-of-use assets	16	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.

Notes to the Consolidated Financial Statements continued

2. Segmental Analysis continued

Geographical Information

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

Revenue by Region

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 (2025: £3,205 million; 2024: £3,509 million) and US (2025: £4,111 million; 2024: £3,311 million) 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 Category

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.

Notes to the Consolidated Financial Statements continued

3. Profit Before Tax

	Note	52 weeks to 1 February 2025 £m	53 weeks to 3 February 2024 £m
Profit before tax is stated after charging/(crediting):			
Auditor's remuneration:			
Audit of these financial statements (Deloitte LLP)(1)		**14**	17
Amounts receivable by the Company's auditor (Deloitte LLP) and its associates in respect of:			
Audit of financial statements of subsidiaries of the Company		**1**	1
Depreciation and amortisation of non-current assets:			
Depreciation of property, plant and equipment	14	**230**	178
Depreciation of right-of-use assets	16	**458**	413
Amortisation of intangible assets	13	**97**	73
Impairments of non-current assets:			
Property, plant and equipment (adjusting items)	14	**80**	3
Property, plant and equipment (non-adjusting items)	14	**2**	7
Right-of-use asset (adjusting items)	16	**19**	2
Right-of-use asset (non-adjusting items)	16	**7**	14
Goodwill & fascia names (adjusting items)	13	**5**	35
Loss on disposal of non-current assets (non-adjusting)		**18**	8
Impairment loss on financial assets (adjusting)	4	**-**	59
Rentals payable under non-cancellable leases for:			
Land and buildings - variable lease payments(2)	16	**105**	105
Land and buildings - short-term leases(2)	16	**3**	2
Other items:			
Movement in the present value of put and call option liabilities (adjusting)		**62**	(6)
Movement in the fair value of forward contracts		**(10)**	(17)
Foreign exchange loss/(gain) recognised (non-adjusting)		**11**	(10)
Foreign exchange loss/(gain) recognised (adjusting)		**5**	–
Share of associate profit and joint ventures		**(5)**	(8)
Other operating income(3)		**(25)**	(30)

(1) The £14 million audit fee for the period ended 1 February 2025 represents the total audit fee payable to Deloitte LLP for the audit of the Group's financial statements for the period ended 1 February 2025. Of this £14 million audit fee, £5 million represents the costs incurred to the balance sheet date. Fees of £11,000 were payable to Deloitte LLP in respect of non-audit services for the period ended 1 February 2025. The £17 million audit fee for the period ended 3 February 2024 represents the total audit fee payable to Deloitte LLP for the audit of the Group's financial statements for the period ended 3 February 2024. Of this £17 million audit fee, £6 million represents the costs incurred to the balance sheet date. Fees of £20,000 were payable to Deloitte LLP in respect of non-audit services for the period ended 3 February 2024.

(2) Since transition to IFRS 16 on 3 February 2019, lease rentals in relation to variable, rolling leases and short-term lease payments have been charged to the Consolidated Income Statement. The variable lease payments shown above relate to turnover rents which are impacted by changes in sales at certain stores where the lease includes an element of turnover rent. Rolling lease payments are in relation to leases where the Group has applied judgement to determine the lease term for certain lease contracts in which the Group is a lessee that either have no specified end date, or where the Group continues to occupy the property despite the contractual lease end date having passed.

(3) Other operating income relates to income receivable for online and in-store advertising services, commission income, rental income, sub-lease payments receivable and amounts receivable not in the ordinary course of business.

Notes to the Consolidated Financial Statements continued

4. 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 costs	**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	**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 £5 million 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.

Notes to the Consolidated Financial Statements continued

4. Adjusting Items continued

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.

Notes to the Consolidated Financial Statements continued

5. Remuneration of Directors

Full disclosure of the Directors' remuneration is given in the Directors' Remuneration Report on pages 114 to 139.

	52 weeks to 1 February 2025 £m	53 weeks to 3 February 2024 £m
Directors' emoluments:		
As Non-Executive Directors	**1**	1
As Executive Directors	**3**	3
Pension contributions	**–**	–
	4	4

During the period, there were no Directors (2024: one) within the defined contribution pension scheme.

Additional information in relation to the remuneration of key management personnel can be found in Note 36.

6. Staff Numbers and Costs

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

	52 weeks to 1 February 2025 Number	53 weeks to 3 February 2024 Number
Sales and distribution	**85,023**	75,491
Administration	**5,341**	4,226
Total average staff employed	**90,364**	79,717
Full-time equivalents	**59,756**	53,499

The aggregate payroll costs of these persons is charged to selling and distribution expenses and administrative expenses lines in the Consolidated Income Statement and is split as follows:

	52 weeks to 1 February 2025 £m	53 weeks to 3 February 2024 £m
Wages and salaries	**1,506**	1,353
Social security costs	**184**	152
Pension costs	**27**	24
Share-based payments	**1**	3
Other employed staff costs	**27**	20
	1,745	1,552

See Note 33 for details of the share-based payments made in the period.

7. Finance Income

Finance income is recognised in the Consolidated Income Statement on an effective interest method.

	52 weeks to 1 February 2025 £m	53 weeks to 3 February 2024 £m
Bank interest	**26**	36
Other Interest	**1**	3
Finance income	**27**	39

Notes to the Consolidated Financial Statements continued

8. Finance Expenses

Finance expenses comprise of interest payable on interest-bearing loans and borrowings and lease liabilities. The interest expense on borrowings is recognised using the effective interest method. The interest expense on lease liabilities is recognised over the lease periods so as to produce constant periodic rates of interest on the remaining balances of the liabilities.

	Note	**52 weeks to 1 February 2025 £m**	53 weeks to 3 February 2024 £m
On bank loans and overdrafts		**33**	8
Amortisation of facility fees		**1**	2
Interest on lease liabilities	16	**112**	84
Movement in the present value of the put and call options (adjusting items)	4	**62**	(6)
Other interest		**7**	8
Finance expenses		**215**	96

9. 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 on page 57. 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.

Notes to the Consolidated Financial Statements continued

9. Income Tax Expense continued

	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 25b 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 (see Note 27).
(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.

Notes to the Consolidated Financial Statements continued

10. 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 4 for further details of the restatement.
(2) Adjusting items and associated tax attributable to the equity holders of the parent only.

Notes to the Consolidated Financial Statements continued

11. 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.

The valuation techniques used for measuring the fair value of material assets acquired are as follows:

- Intangible assets (computer software) – The cost approach is used which reflects the amount that would be required to currently replace the service capacity of an asset (often referred to as current replacement cost). 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.
- Intangible assets (fascia names and brand names) – The relief from royalty method considers the discounted estimated royalty payments that are expected to be avoided as a result of the intangible assets being owned.
- Inventories – The fair value is determined based on the estimated selling price in the ordinary course of business less the estimated costs of completion and sale, and a reasonable profit margin based on the effort required to sell the inventories.
- Leases – A right-of-use asset and lease liability are recognised, measured as if the acquired lease were a new lease at the date of acquisition. The fair value of the acquired leases is estimated by comparing the annual rent to a normalised rent level based on a market-oriented occupancy rate. The difference is calculated over the remaining lease term and discounted at the estimated pre-tax discount rate, adjusting the value of the right-of-use asset recognised under IFRS 16 'Leases'. The lease liability recognised is measured at the present value of the remaining lease payments, using a discount rate determined in accordance with IFRS 16 at the date of acquisition.
- Owned property – The cost approach considers the cost to replace the existing property, less accrued depreciation, plus the fair value of the land. The value of the properties is derived by adding the estimated value of the land to the cost of constructing a reproduction or replacement for the improvements and then subtracting the amount of depreciation.
- Plant and equipment – The depreciated replacement cost new valuation approach is utilised, reflecting adjustments for physical deterioration as well as functional and economic obsolescence.

Any excess of the cost of acquisition over the fair values of the identifiable net assets acquired is recognised as goodwill. Any deficiency of the cost of acquisition below the fair values of the identifiable net assets acquired (discount on acquisition) is credited to the consolidated income statement in the period of acquisition.

Notes to the Consolidated Financial Statements continued

11. Acquisitions continued

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. Please refer to Note 29 for further information.

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.

Notes to the Consolidated Financial Statements continued

11. Acquisitions continued

Measurement adjustments

Additional intangible assets of £156 million have been recorded in relation to the acquisition with £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 measurement 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, as noted above, 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 (see lease accounting policy in Note 16). 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 4 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.

Notes to the Consolidated Financial Statements continued

11. Acquisitions continued
Measurement adjustments continued

	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	(122)	–	**(122)**
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 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.

Notes to the Consolidated Financial Statements continued

11. Acquisitions continued

Measurement adjustments continued

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. £11 million of these costs are cash costs of acquisition with £4 million representing non cash costs of fair value uplifts post acquisition. See Note 4 for further information.

Current Period Acquisitions – Acquisition of Non-Controlling Interests

Acquisition of the Non-Controlling Interest in Sport Zone Canaries (40%) and JD Canaries (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 37 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**

Notes to the Consolidated Financial Statements continued

11. Acquisitions continued

Prior Period Acquisitions - Acquisition of Non-Controlling Interests

JD Sports Fashion Germany GmbH

On 25 April 2023, JD Sports Fashion Plc ('JD') acquired the remaining 20% of the issued share capital in its existing subsidiary JD Sports Fashion Germany GmBH ('JD Germany') for a cash consideration of €7 million (£6 million). At the date of acquisition the Group held a put and call option liability on the remaining 20% which carried a value of £0.4 million (see Note 25). The Group now owns 100% of the issued share capital of JD Germany. In accordance with IFRS 10, the Group had previously assessed and concluded that it controlled the subsidiary. As the step-up on 25 April 2023 does not result in a change of control, this was accounted for as an equity transaction.

JD Sports Fashion SDN BDH

On 30 August 2023, JD Sports Fashion Plc ('JD') acquired the remaining 20% of the issued share capital in its existing subsidiary JD Sports Fashion SDN BDH ('JD Malaysia') for a cash consideration of 196 million MYR (£35 million). The Group now owns 100% of the issued share capital of JD Malaysia. In accordance with IFRS 10, the Group had previously assessed and concluded that it controlled the subsidiary. As the step-up on 30 August 2023 does not result in a change of control, this was accounted for as an equity transaction.

Iberian Sports Retail Group S.L.

On 10 October 2023, JD Sports Fashion Plc ('JD') acquired the remaining 49.99% of the issued share capital in its existing subsidiary Iberian Sports Retail Group S.L. ('ISRG') for a cash consideration of €500 million (£434 million). At the date of acquisition the Group held a put and call option liability on the remaining 49.99% which carried a value of £429 million (see Note 25). The Group now owns 100% of the issued share capital of ISRG. In accordance with IFRS 10, the Group had previously assessed and concluded that it controlled the subsidiary. As the step-up on 10 October 2023 does not result in a change of control, this was accounted for as an equity transaction.

Marketing Investment Group S.A.

On 21 December 2023, JD Sports Fashion Plc ('JD') acquired the remaining 40% of the issued share capital in its existing subsidiary Marketing Investment Group S. A. ('MIG') for a cash consideration of 343 million PLN (£69 million). At the date of acquisition the Group held a put and call option liability on the remaining 40% which carried a value of £68 million (see Note 25). The Group now owns 100% of the issued share capital of MIG. In accordance with IFRS 10, the Group had previously assessed and concluded that it controlled the subsidiary. As the step-up on 21 December 2023 does not result in a change of control, this was accounted for as an equity transaction.

Other Acquisitions of Non-Controlling Interest

During the period ended 3 February 2024, the Group made four other acquisitions of non-controlling interests which were not material for a cash consideration of £8 million.

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

	Retained Earnings £m	Non-controlling interest £m	**Total £m**
Acquisition of non controlling interest			
ISRG	308	126	**434**
JD Germany	11	(5)	**6**
JD Malaysia	32	3	**35**
MIG	44	25	**69**
Other	8	–	**8**
Total consideration	**403**	**149**	**552**

Notes to the Consolidated Financial Statements continued

12. 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. Please refer to Note 19 for further information.

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. The 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.

Prior Period Divestments

On 16 December 2022, the Group announced its plan to significantly simplify its business offering through the divestment of a number of non-core businesses in order to focus more fully on the opportunities across the rest of the Group. As a result, 16 businesses in total were divested for total cash consideration of £19 million received in the period ended 3 February 2024, with deferred consideration of £2 million.

The Group completed the divestment of 12 businesses for £15 million at various dates in the period ended 3 February 2024:

- Tessuti Group Limited (100% equity interest) – including its subsidiaries Tessuti Limited 87.5% equity interest), Tessuti (Ireland) Limited (87.5% equity interest), Tessuti Retail Limited 100% equity interest) and Prima Designer Limited (100% equity interest) (divested on 7 February 2023);
- Choice Limited (87.5% equity interest) – including its subsidiary Choice 33 Limited (87.5% equity interest) (divested on 7 February 2023);
- Giulio Limited (87.5% equity interest) – including its subsidiaries Giulio Fashion Limited (87.5% equity interest) and Giulio Woman Limited (87.5% equity interest) (divested on 7 February 2023);
- R.D. Scott Limited (100% equity interest) (divested on 7 February 2023);
- Catchbest Limited (80% equity interest) (divested on 7 February 2023);
- Rascal Clothing Limited (75% equity interest) (divested on 6 February 2023);
- Source Lab Limited (85% equity interest) (divested on 28 February 2023);
- Topgrade Sportswear Holdings Limited including its subsidiaries Topgrade Sportwear Limited and GetTheLabel.com Limited (80% equity interest) (divested on 2 March 2023);
- Woodlandslove Limited (80% equity interest) (divested on 9 March 2023);
- 80s Casual Classics Limited including its subsidiary Modern Casuals Limited (70% equity interest) (divested on 26 May 2023);
- Bernard Esher Limited (80% equity interest) (divested on 4 July 2023); and
- Hairburst Holding Group Limited including its subsidiaries Hair Burst Limited, JMH Cosmetics Limited and Mrblancteeth Limited (75% equity interest) (divested on 24 July 2023).

In addition, on 23 May 2023, the Group disposed of Brand Stable Limited (49% equity interest) a fixed asset investment in a joint venture for cash consideration of £1 million.

On 2 February 2024, the group sold 0.64% of its holding in Applied Nutrition Limited, while still retaining the Group as an associate, for cash consideration of £2 million. The consideration was received fully in cash during the period. Costs to sell were immaterial.

On 30 August 2023, the Group disposed of SEA Sports Fashion SDN BHD (60% equity interest). The total cash consideration was £1.

Additionally, on 20 December 2023, the Group disposed of Kukri Sports Limited (75% equity interest) including its subsidiaries Kukri Asia Limited (100% equity interest), Kukri Sports Middle East JLT (100% equity interest, Kukri GB Limited (100% equity interest), Kukri PTE Limited (100% equity interest), Kukri NZ Limited (75% equity interest), Kukri Events Limited (100% equity interest), Kukri Sports Ireland Limited (100% equity interest), Frank Harrison Limited (90% equity interest), Kukri Sports Canada Inc (75% equity interest), Kukri (HK) Limited (100% equity interest), Kukri Australia Pty Limited (100% equity interest), Kukri (Shanghai) Limited (100% equity interest) and Squirrel Sports Limited (100% equity interest). The total consideration was £3 million, of which £1 million was deferred.

Notes to the Consolidated Financial Statements continued

12. Divestments continued

GymNation

On 1 November 2023, the Group disposed of GymNation Holding Ltd (78.2% equity interest) including its subsidiary GymNation LLC. The total consideration was £34 million. The net assets of the business were classed as held for sale in the half-year results. At the date of the disposal, the carrying amounts of GymNation's net assets were £30 million, total consideration received £34 million, and gain on disposal net of disposal costs was £4 million.

Focus Brands Limited

On 24 January 2024, the Group disposed of Focus Brands Limited (100% equity interest) including its subsidiaries Focus Group Holdings Limited (100% equity interest), Focus International Limited (100% equity interest), Focus Sports & Leisure International Limited (100% equity interest), Focus Equipment Limited (100% equity interest), Focus International NL B.V. (100% equity interest) and Focus Italy S.p.a. (100% equity interest). The total consideration was £8 million, of which £5 million was deferred. This decision was made following the half-year announcement; therefore, the net assets were not classed as held for sale. At the date of the disposal, the carrying amounts of Focus Group's net assets were £32 million, total consideration received £8 million, and loss on disposal net of disposal costs was £24 million.

Sports Unlimited Retail B.V

On 6 December 2023, the Group made the decision to close the Sports Unlimited Retail B.V ('SUR') business. On this date, the entity was put into bankruptcy and the control over the trade and assets of SUR was transferred to an independent trustee. No consideration was received. The net gain on disposal has been treated as an adjusting item (see Note 4). At the date of the disposal, the carrying amounts of SUR's net liabilities were £36 million total consideration received £Nil, and gain on disposal net of disposal costs was £36 million.

13. Intangible Assets

The Group recognises intangible assets in respect of goodwill, brand licences, brand names, fascia names, customer relationships, and software development. Group accounting policy for their recognition, measurement and subsequent treatment is explained below.

All intangible assets are subject to impairment testing. The approach and findings of impairment reviews performed during the year are set out at the end of this note.

There have been a number of intangible asset acquisitions during the period, relating to the Hibbett and Courir acquisitions. Further details, including the fair value of the assets acquired, are provided in Note 11.

Recognition, measurement and subsequent treatment of intangible assets

Goodwill

Goodwill represents amounts arising on acquisition of subsidiaries. The Group measures goodwill at the acquisition date as:

- the fair value of the consideration transferred; plus
- the recognised amount of any non-controlling interests in the acquiree; plus
- if the business combination is achieved in stages, the fair value of the existing equity interest in the acquiree; less
- the net recognised amount of the identifiable assets acquired and liabilities assumed.

When the excess is negative, the gain on bargain purchase is recognised immediately in the Consolidated Income Statement.

On disposal of a subsidiary, the attributable amount of goodwill is included in the determination of the profit/loss on disposal.

Goodwill is stated at cost less any accumulated impairment losses. Goodwill is not amortised but is instead is tested annually for impairment and whenever there is an indication that the goodwill may be impaired: see policy below.

Brand Licences

Brand licences are recognised when the Group enters into a licensing agreement with a brand to license their products in return for royalty payments across the term of the contract. On entering into the contract, the licence is assigned a cost based on the discounted contractual minimum royalty payments across the licence term. The cost of the licence is then simultaneously recognised as an intangible asset for the use of the brand licence and a liability for the royalty payments due.

Brand licences are stated at cost less accumulated amortisation and impairment losses. Amortisation of brand licences is charged to the Consolidated Income Statement within cost of sales over the term to the licence expiry on a straight-line basis.

The remaining useful economic lives of brand licences as at 1 February 2025 range over a period of three months to nine years (2024: three months to ten years).

Brand Names

Brand names acquired as part of a business combination are stated at fair value as at the acquisition date less accumulated amortisation and impairment losses. Brand names separately acquired are stated at cost less accumulated amortisation and impairment losses.

The useful economic life of each purchased brand name is considered to be finite and is typically between five and ten years. In determining the useful economic life of each brand name, the Board considers the market position of the brands acquired, the nature of the market that the brands operate in, typical product life-cycles of the brands and the useful economic lives of similar assets that are used in comparable ways.

Brand names are amortised on a straight-line basis over their useful economic lives and the amortisation charge is included within adjusted administrative expenses in the Consolidated Income Statement.

Notes to the Consolidated Financial Statements continued

13. Intangible Assets continued

Fascia Names

Separately identifiable fascia names acquired are stated at fair value as at the acquisition date less accumulated amortisation and impairment losses. The initial fair value is determined by using a 'royalty relief' method of valuation. This is based on an estimation of future sales and the choice of a suitable royalty and discount rate in order to calculate the present value. This method involves calculating a net present value for each fascia name by discounting the projected future royalties expected using a finite useful economic life for each fascia. The future royalties are estimated by applying a suitable royalty rate to the sales forecast.

Store and online fascia names are considered to have a finite useful economic life. The estimated useful economic lives are as follows:

- Online fascia names 3 to 10 years
- Store fascia names 5 to 10 years

The factors that are considered when determining the useful life of each fascia name are as follows:

- The strength of the respective fascia names in the relevant sector and geographic region where the fascia is located.
- The history of the fascia names and that of similar assets in the relevant retail sectors.
- The commitment of the Group to continue to operate these stores separately for the foreseeable future, including the ongoing investment in new stores and refurbishments.
- The impact of increased competition in the marketplace as a result of reduced barriers to entry and its impact on the useful life of online fascia names.

The remaining useful economic lives of fascia names as at 1 February 2025 range over a period of three to ten years (2024: four to eight years).

Fascia names are all amortised over the useful economic life on a straight-line basis and the amortisation charge is included within adjusted administrative expenses in the Consolidated Income Statement.

Customer Relationships

Customer relationships acquired as part of a business combination are stated at fair value as at the acquisition date less accumulated amortisation and impairment losses.

Amortisation of customer relationships is charged to the Consolidated Income Statement within adjusted administrative expenses over the estimated useful life of one to five years on a straight-line basis.

Software Development

Software development costs (including website development costs) are capitalised as intangible assets if the technical and commercial feasibility of the project has been demonstrated, the future economic benefits are probable, the Group has an intention and ability to complete and use or sell the software and the costs can be measured reliably. Costs that do not meet these criteria are expensed as incurred.

Software development costs are stated at historic cost, less accumulated amortisation. Capitalised software costs comprise software under the control of the Group.

Software development costs are all amortised over a period of two to seven years on a straight-line basis and the amortisation charge is included within administrative expenses in the Consolidated Income Statement. Software development includes £1 million (2024: £Nil) of internally generated software development.

Directly attributable software development costs in relation to the configuration and customisation of cloud computing arrangements, including Software-as-a-Service ('SaaS') are only capitalised to the extent they give rise to an asset controlled by the Group. Where control cannot be demonstrated, expenditure in relation to such costs is expensed in the period it is incurred.

Notes to the Consolidated Financial Statements continued

13. Intangible Assets continued

	Goodwill £m	Brand licences £m	Brand names £m	Fascia name £m	Customer relationships £m	Software development £m	Total £m
Cost of valuation							
At 28 January 2023	1,239	96	22	521	14	122	**2,014**
Additions	–	73	–	–	–	30	**103**
Reclassifications	–	–	–	(8)	–	(2)	**(10)**
Disposals	–	(1)	–	–	–	(7)	**(8)**
Divestments (Note 12)	(58)	–	(1)	(16)	–	–	**(75)**
Transfer to assets held -for-sale (Note 37)	(7)	–	–	–	–	–	**(7)**
Exchange Differences	(20)	–	–	(6)	–	(2)	**(28)**
At 3 February 2024	1,154	168	21	491	14	141	**1,989**
Additions	–	16	–	–	–	28	**44**
Acquisitions	678	1	–	260	2	7	**948**
Reclassifications	–	–	–	–	–	6	**6**
Transfer from assets held-for-sale (Note 37)	7	–	–	–	–	–	**7**
Disposals	–	(3)	(4)	–	–	(2)	**(9)**
Divestments (Note 12)	(23)	–	–	(10)	–	–	**(33)**
Exchange differences	27	(1)	–	11	–	–	**37**
At 1 February 2025	1,843	181	17	752	16	180	**2,989**
Amortisation and impairment							
At 28 January 2023	192	20	17	190	4	90	**513**
Charge for the period	–	8	1	45	3	16	**73**
Impairments(1)	21	–	–	14	–	–	**35**
Reclassifications	–	–	–	(8)	–	–	**(8)**
Disposals	–	(1)	–	–	–	(6)	**(7)**
Divestments (Note 12)	(36)	–	(1)	(7)	–	–	**(44)**
Exchange differences	–	–	–	(1)	–	(1)	**(2)**
At 3 February 2024	177	27	17	233	7	99	**560**
Charge for the period	–	18	1	51	4	23	**97**
Impairments(1)	–	–	–	5	–	–	**5**
Reclassifications	–	–	–	–	–	(1)	**(1)**
Disposals	–	–	(5)	–	–	(1)	**(6)**
Divestments (Note 12)	(23)	–	–	(10)	–	–	**(33)**
Exchange differences	–	–	–	2	1	–	**3**
At 1 February 2025	154	45	13	281	12	120	**625**
Net book value							
At 1 February 2025	1,689	136	4	471	4	60	**2,364**
At 3 February 2024	977	141	4	258	7	42	**1,429**

(1) The impairment charge for the period of £5 million (2024: £35 million) has been treated as an adjusting item. See Note 4 for adjusting items.

Impairment of intangible assets

Goodwill is tested for impairment annually or where there is an indication that impairment may exist. The Group does not have any intangible assets with an indefinite useful life or that have not yet been brought into use. The Group's annual impairment test has been performed at the end of November 2024. In the prior year the impairment test was performed at the end of July 2023.

Other intangible assets with finite lives are tested for impairment only if indicators of impairment exist.

Impairment testing is performed at the asset level where possible, or otherwise the cash-generating unit (CGU) being the smallest identifiable group of assets that generate cash inflows that are largely independent of cash inflows from other assets or groups of assets. Corporate assets that contribute to the future cash flows of multiple CGUs are allocated to individual CGUs if possible to do so on a reasonable and consistent basis, and are otherwise tested for impairment by reference to the cash flows from the smallest grouping of CGUs that they can be allocated to.

When an impairment test is performed, recoverable amount is assessed by reference to the higher of the value in use of the relevant CGU and its fair value less costs of disposal.

Impairment losses are recognised within adjusted administrative expenditure in the Consolidated Income Statement.

Where a CGU is impaired, the impairment is first allocated to any goodwill and then to the other assets of the unit.

Notes to the Consolidated Financial Statements continued

13. Intangible Assets continued

Identification of Cash-Generating Units

The Group considers each store to be a separate CGU capable of generating independent cash flows. A separate online CGU also exists within each fascia.

Intangible assets cannot be allocated to individual store and online CGUs on a reasonable and consistent basis and therefore the following approach is taken:

- Goodwill is allocated by grouping store and online CGUs at the operating segment level, reflecting the grouping for internal reporting. The Group's operating segments are set out in the goodwill impairment testing section below.
- Store and online CGUs operate under a fascia name and each fascia makes use of brand names, licences, customer relationships and software. Therefore, store and online CGUs are grouped into fascia CGUs for the purpose of testing these assets for impairment.

Set out below are the results of impairment testing performed during the year. Assets allocated to fascia CGUs are considered first reflecting the order that impairment testing was performed.

Fascia CGUs

The impairment charge of £5 million in the current period is a result of impairment of Swim! before divestment, negative growth in the Blacks fascia and lower than anticipated trading results in the 50 Styles fascia within MIG, which is being phased out.

In the period ended 3 February 2024, a total of £14m of impairment was recognised in relation to fascia intangible assets across the Go Outdoors, Livestock, Wheelbase and Swim CGUs.

Goodwill

No impairments have been recognised in the current period in relation to testing goodwill for impairment. In the period ended 3 February, a total of £21m of impairment was recognised across the Allsport, Gymnation and Swim CGUs.

During the year there was a change to the composition to the Group's operating and reportable segments, see Note 2 for further detail. This has triggered a need to reassess the segments to which the Group's goodwill is allocated. The new operating segments represent the lowest level within the Group at which goodwill is monitored for internal management purposes, and the level at which impairment tests are performed. We have therefore reallocated goodwill across these segments.

The table below presents the carrying amount of goodwill against each of the new operating and reporting segments:

	Reportable Segment	**Goodwill 2025 £m**	Restated[(1)] total goodwill 2024 £m
JD UK	JD	**24**	16
JD Europe	JD	**93**	94
JD Active	JD	**17**	15
JD & FL North America	JD	**123**	120
Brand Builders	JD	**3**	3
Complementary	Complementary Concepts	**325**	–
Community	Complementary Concepts	**1,031**	654
Sporting Goods	Sporting Goods and Outdoors	**68**	70
Outdoor	Sporting Goods and Outdoors	**5**	5
		1,689	977

(1) 2024 goodwill has been restated under the new operating segments, with the rationale outlined above.

Acquisitions

Goodwill recognised within the Complementary operating segment during the period relates to the acquisition of Courir, which was completed near the end of the financial period on 27 November 2024. At the reporting date, the Group has not yet completed the full allocation of the purchase price to the identifiable assets acquired and liabilities assumed. As such, the goodwill amount recognised is provisional and subject to adjustment within the 12-month measurement period, in accordance with IFRS 3 Business Combinations.

As part of the initial fair value exercise performed for the opening balance sheet of Courir, management has assessed that the carrying amount of goodwill is currently recoverable. No indicators of impairment were identified at the reporting date. However, given the proximity of the acquisition to period-end, and that the acquisition completed after the annual impairment testing cycle, and in accordance with IAS 36 Impairment of Assets, a full impairment test will be performed in FY26 when the purchase price allocation has been finalised and further financial information becomes available.

Goodwill of £351 million has been recognised on the acquisition of Hibbett within the Community operating segment during the period. As part of the initial fair value exercise performed for Hibbett's opening balance sheet, management has assessed that the carrying amount of goodwill is currently recoverable. No indicators of impairment were identified at the reporting date. A full impairment test has been completed at period end in line with the methodology outlined above with the carrying amount of goodwill being deemed recoverable.

The Group will continue to monitor the performance of the acquired businesses and reassess the carrying amount of goodwill accordingly.

Notes to the Consolidated Financial Statements continued

13. Intangible Assets continued

Below we have presented the key assumptions used in the goodwill impairment models.

For the 52 week period ended 1 February 2025

		Impairment model assumptions used		
	Reportable Segment	**Long term revenue growth rate[1]**	Gross margin rate	**Pre-tax discount rate[1]**
JD UK	JD	**2.0%**	Gross margins assumed to be consistent with historic levels and the approved five year plan.	**12.2%**
JD Europe	JD	**0.0%**	Gross margins assumed to be consistent with historic levels and the approved five year plan.	**14.1%**
JD Active	JD	**2.0%**	Gross margins assumed to be consistent with historic levels and the approved five year plan.	**10.5%**
JD & FL North America	JD	**2.5%**	Gross margins assumed to be consistent with historic levels and the approved five year plan.	**13.3%**
Outdoor	Sporting Goods and Outdoors	**0.0%**	Gross margins assumed to be consistent with historic levels and the approved five year plan.	**10.8%**
Sporting Goods	Sporting Goods and Outdoors	**1.5%**	Gross margins assumed to be consistent with historic levels and the approved five year plan.	**10.3%**
Community	Complementary Concepts	**2.0%**	Gross margins assumed to be consistent with historic levels and the approved five year plan.	**14.0%**

(1) Growth rates and discount rates have not been presented for JD Asia Pacific, this is due to there being no intangible assets to assess as part of an impairment model. The growth rates presented are the long term revenue growth rates post FY30 applied to the cashflows in the impairment models in order to derive the terminal value.

Key Assumptions Used in Value-In-Use Calculations and Sensitivity to Changes in Assumptions

The calculation of value-in-use for CGUs and groups of CGUs is most sensitive to the following assumptions:

- Gross margins
- Discount rates
- Long term revenue growth rates

The cash flow projections used in the value-in-use calculations are all based on the Group's five-year Board approved forecast. The forecasts are extrapolated based on estimated long-term average growth rates. Estimates are based on past experience and expectations of future changes in the market, including the prevailing economic climate and global economy, competitor activity, market dynamics, changing customer behaviours, structural challenges facing retail and the resilience afforded by the Group's operational scale.

Gross Margins

Gross margins are based on the same values as forecast in the Board approved budget and 5 year plan. These are generally expected to remain constant over the five year forecast period.

Discount Rates

Discount rates represent the current market assessment of the risks specific to each CGU and group of CGUs, taking into consideration the time value of money and individual risks of the underlying assets that have not been incorporated in the cash flow estimates. The discount rate calculation is based on the specific circumstances of the Group and its operating segments and is derived from its weighted average cost of capital ('WACC').

Notes to the Consolidated Financial Statements continued

13. Intangible Assets continued

Growth Rates

The short-term revenue growth rate is based on the Board approved average annual growth rates for the five year period following the 52 week period ending 1 February 2025.The terminal growth rate as disclosed above is the rate used thereafter, which is an estimate of the growth based on past experience within the Group, taking account of economic growth forecasts for the relevant sector and geography. The long-term growth rates have been compared to published industry research and the lower of the growth rates have been used in the value-in-use calculation.

Sensitivity Analysis

The Group has carried out sensitivity analysis on the reasonably possible changes in key assumptions in the impairment tests for:

(a) each operating segment to which goodwill has been allocated; and
(b) for each group of CGUs at a fascia level.

Management has considered the possibility of each business achieving less revenue and gross profit % than forecast to ascertain the level at which headroom would be eroded and the level at which a material impairment would occur.

Whilst any reduction in revenue would be partially offset by a reduction in revenue-related costs, management would also take actions to mitigate the loss of gross profit by reducing other costs. With regard to the assessment of value-in-use of all groups of CGUs and operating segments with headroom, management believes that there are no reasonably possible changes in any of the key assumptions which would cause the carrying value to materially exceed its recoverable amount and we do not consider this to be a critical estimate. Management does not consider there to be a reasonably possible change in any of the key assumptions in the group of CGUs, or with impairment charges that would materially increase the impairment recognised in the period.

Sensitivity analysis has been performed, and there are no intangibles which would be materially impacted by reasonably possible changes to key assumptions that would have a material impact on the carrying value of intangibles. This is due to the significant headroom identified from the value-in-use calculations.

Notes to the Consolidated Financial Statements continued

14. Property, Plant and Equipment

Owned Assets

Items of property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. Where parts of an item of property, plant and equipment have different useful economic lives, they are accounted for as separate items.

Depreciation

Depreciation is charged to the Consolidated Income Statement over the estimated useful life of each part of an item of property, plant and equipment. The estimated useful economic lives are as follows:

– Freehold land	– not depreciated
– Long leasehold and freehold properties	– 2% per annum on a straight-line basis
– Improvements to short leasehold properties	– life of lease on a straight-line basis
– Computer equipment	– 3–4 years on a straight-line basis
– Fixtures and fittings	– 5–7 years, or length of lease if shorter, on a straight-line basis
– Motor vehicles	– 25% per annum on a reducing balance basis

The Group reviews the estimated residual values and expected useful lives of assets at least annually. In particular, the Group considers the impact of health, safety and environmental legislation in its assessment of expected useful lives and estimated residual values. Furthermore, the Group considers climate-related matters, including physical and transition risks. Specifically, the Group determines whether climate-related legislation and regulations might impact either the useful life or residual values, e.g. by imposing additional energy efficiency requirements on the Group's buildings and office properties.

Disposals

Gains or losses arising on the disposal of property, plant and equipment are determined as the difference between the disposal proceeds and the carrying amount of the assets and are recognised in the Consolidated Income Statement either within other income or other expenses.

Impairment of Property, Plant and Equipment and Non-Current Other Assets

Property, plant and equipment and non-current other assets are reviewed for impairment if events or changes in circumstances indicate that the carrying amount of an asset or a cash-generating unit is not recoverable.

The Group treats individual retail stores and the online operations of each fascia as separate cash-generating units ('CGUs') for the purpose of impairment testing as this is the level at which largely independent cash flows are generated. Each store CGU comprises associated property, plant and equipment and right-of-use assets (as disclosed in Note 16), and is tested for impairment at the balance sheet date if any indicators of impairment have been identified.

Owned corporate assets, being office and warehouse properties along with associated fixtures and fittings and plant and equipment, cannot be allocated to individual store CGUs on a reasonable and consistent basis. They have been tested for impairment by reference to the cash flows generated by the smallest grouping of store CGUs that they can be allocated to, being the region or fascia that they serve.

The recoverable amount of each store CGU is the higher of its value-in-use and its fair value less costs of disposal.

The value-in-use of each CGU has been calculated using discounted cash inflows derived from the Group's latest Board approved plans, taking into account the projected impact of future sales growth, and reflects historic performance and knowledge of the current market, together with the Group's views on the future achievable growth. Cash flows beyond the plan period are extrapolated using growth rates appropriate to each store's location. Cash flows have been included for the remaining lease life for the specific store and assumptions around lease extensions have been applied where appropriate, reflecting stores as CGUs that typically operate for a longer period than the recognised lease term.

The key assumptions on which the forecast cash flows of the CGUs are based include revenue and the pre-tax discount rates. Other assumptions in the model relate to gross margin, cost inflation, growth rates and lease extensions.

Discount rates represent the current market assessment of the risks specific to each CGU and group of CGUs, taking into consideration the time value of money and individual risks of the underlying assets that have not been incorporated in the cash flow estimates.
The discount rate calculation is based on the specific circumstances of the Group and its operating segments and is derived from its weighted average cost of capital ("WACC") which has been calculated using the capital asset pricing model, the inputs of which include the risk-free rate, equity risk premium, Group size premium and a risk adjustment (beta).

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

Impairment charges of £82 million (2024: £9 million) relate primarily to the impairment of assets within the Derby distribution centre, which is currently held for sale; and to all classes of property, plant and equipment in store CGUs where there has been an impairment indicator and following which a full impairment review has been performed. The loss is based on the specific revenue streams and costs attributable to the store CGU. Assets in impaired store CGUs are written down to their recoverable amount which is calculated as the higher of the fair value less costs to sell and value-in-use.

The impairment charge recognised is not materially sensitive to reasonably possible changes in the key assumptions set out above.

Included within the depreciation charge for the period ended 1 February 2025 is accelerated depreciation of £6 million (2024: £1 million) following a review of the useful economic life of certain items of property, plant and equipment and assets capitalised.

Notes to the Consolidated Financial Statements continued

14. Property, Plant and Equipment continued

	Freehold land, long leasehold and freehold properties £m	Improvements to short leasehold properties £m	Assets under construction £m	Fixtures and fittings £m	Computer equipment £m	Motor vehicles £m	Total £m
Cost							
At 28 January 2023	96	278	24	991	97	7	**1,493**
Additions	13	122	57	303	34	1	**530**
Disposals	(1)	(17)	–	(32)	(3)	(1)	**(54)**
Divestments (Note 12)	–	–	–	(37)	(8)	–	**(45)**
Reclassifications	(4)	12	(16)	(10)	(1)	–	**(19)**
Exchange differences	(1)	(6)	(1)	(15)	(2)	–	**(25)**
Transfer to investment property (Note 15)	(5)	–	–	–	–	–	**(5)**
Transfer to assets held-for-sale (Note 37)	–	–	–	(2)	–	–	**(2)**
At 3 February 2024	98	389	64	1,198	117	7	**1,873**
Additions	16	100	42	291	27	2	**478**
Disposals	–	(21)	–	(79)	(6)	(1)	**(107)**
Divestments (Note 12)	(4)	(2)	(1)	(16)	–	–	**(23)**
Reclassifications	(5)	14	82	(92)	1	–	**–**
Acquisitions	38	83	10	55	38	3	**227**
Exchange differences	–	4	1	(17)	–	–	**(12)**
Transfer to assets held-for-sale (Note 37)	–	–	–	(93)	–	–	**(93)**
At 1 February 2025	143	567	198	1,247	177	11	**2,343**
Depreciation and impairment							
At 28 January 2023	18	84	–	468	44	4	**618**
Charge for the period	4	43	–	111	19	1	**178**
Disposals	–	(13)	–	(29)	(2)	(1)	**(45)**
Divestments (Note 12)	–	–	–	(19)	(4)	–	**(23)**
Impairment charge for the period[1]	–	–	–	9	–	–	**9**
Exchange differences	–	(2)	–	(10)	(1)	–	**(13)**
Transfer to investment property (Note 15)	(2)	–	–	–	–	–	**(2)**
Transfer to assets held-for-sale (Note 37)	–	–	–	(1)	–	–	**(1)**
At 3 February 2024	20	112	–	529	56	4	**721**
Charge for the period	4	65	–	131	28	2	**230**
Disposals	–	(15)	–	(77)	(5)	(1)	**(98)**
Reclassifications	3	–	–	(3)	–	–	**–**
Divestments (Note 12)	(2)	(2)	–	(5)	–	–	**(9)**
Acquisitions	–	–	–	2	4	–	**6**
Impairment charge for the period[1]	–	–	–	81	1	–	**82**
Exchange differences	–	3	–	(4)	–	–	**(1)**
Transfer to assets held-for-sale (Note 37)	–	–	–	(78)	–	–	**(78)**
At 1 February 2025	25	163	–	576	84	5	**853**
Net book value							
At 1 February 2025	118	404	198	671	93	6	**1,490**
At 3 February 2024	78	277	64	669	61	3	**1,152**

(1) The impairment charge for the period is made up of adjusting items of £80 million (2024: £3 million) and non-adjusting items of £2 million (2024: £7 million). See Note 4 for adjusting items.

Notes to the Consolidated Financial Statements continued

15. Investment Property

Investment property, which is property held to earn rental income, is stated at cost less accumulated depreciation and impairment losses. Investment property is depreciated over a period of 50 years on a straight-line basis, with the exception of freehold land, which is not depreciated. An external valuation to determine the fair value is prepared every three years by persons having the appropriate professional experience. When an external valuation is not prepared, an annual assessment is conducted using internal expertise.

	£m
Cost	
At 28 January 2023	–
Transfer from Property, Plant and Equipment (Note 14)	5
At 3 February 2024	5
At 1 February 2025	5
Depreciation and impairment	
At 28 January 2023	–
Transfer from Property, Plant and Equipment (Note 14)	2
At 3 February 2024	2
Charge for the period	–
At 1 February 2025	2
Net book value	
At 1 February 2025	3
At 3 February 2024	3

The investment properties relate to properties leased to Focus Brands Limited (£3 million) and Kukri Sports Limited (£Nil million). The shareholdings of both companies were disposed of during the period ended 3 February 2024. Prior to disposal of the investment in these entities, these properties had been shown in Property, Plant and Equipment (Note 14).

During the year the directors have obtained a fair value of the St Albans property owned by Focus. The difference between the carrying value and this fair value is considered immaterial. The directors have not obtained a fair value for the property leased to Kukri Sports Limited as the carrying value of the property is immaterial.

The next external valuation of the properties will be obtained for the period ended 29 January 2028. Given the non-volatile nature of the property, a three-year external valuation cycle is deemed appropriate by the Directors. The Directors deem this to be a Level 3 input under the Group's fair value hierarchy (see Note 24).

16. Leases

Accounting Policy

The Group leases assets which consist of properties, vehicles and equipment. The most significant leases in size are retail stores, offices and warehouses. Some leases include an option to renew the lease for an additional period after the end of the non-cancellable period. Some leases provide for changes to rent payments based on local price indices.

The Group assesses whether a contract is, or contains, a lease under IFRS 16. A lease exists if the contract conveys a right to control the use of an identified asset for a period of time in exchange for consideration.

To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether the following criteria apply:

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

At inception, or on reassessment of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of its relative stand-alone price.

On transition to IFRS 16 on 3 February 2019, the Group elected to apply the practical expedient to grandfather the assessment of which transactions are leases. It applied IFRS 16 only to contracts that were previously identified as leases. Therefore, the definition of a lease under IFRS 16 has been applied only to contracts entered into or changed on or after the transition date.

Notes to the Consolidated Financial Statements continued

16. Leases continued
Accounting Policy continued
As a Lessee
The Group recognises a right-of-use asset and a lease liability at the lease commencement date. Lease liabilities are measured at the present value of the remaining lease payments, discounted at the Group's incremental borrowing rate for the subsidiary that holds the contractual lease commitment. Right-of-use assets are measured at an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments plus any initial direct costs incurred less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. A right-of-use asset's useful economic life is determined on the same basis as for property, plant and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted at the rate implicit in the lease. If the rate implicit in the lease is not readily available, then payments are discounted using the Group's incremental borrowing rate.

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

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date; and
- lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in index or rate, a change in the estimate of the amount expected to be payable under a residual value guarantee, or as appropriate in the assessment of whether a purchase or extension option is reasonably certain to be exercised.

The Group's incremental borrowing rate is the rate that the Group would have to pay for a loan of a similar term, and with similar security, to obtain an asset of similar value. The incremental borrowing rate is determined based on a series of inputs including: the term, the risk determined by the Yield to Maturity (YTM) ratio on 'BBB' rated corporate bonds and a credit risk adjustment based on the Group's bond yields. Corporate bond rates are a comparable reflection of the risk level of the Group and hence more suitable than government bond rates for discounting the Group's lease liabilities.

Where revised lease terms involve a change in the scope of a lease, or the consideration for a lease, that was not part of the original terms and conditions of the lease, then these changes are accounted for as a lease modification. Any revised consideration and/or revised lease length is taken into account in a remeasurement calculation that includes a revised discount rate at the effective date of the modification of terms. The revised discount rate is determined as the lessee's incremental borrowing rate at the effective date of the modification.

The Group has several lease contracts that include extension and termination options. These options are negotiated by management to provide flexibility in managing the lease portfolio and align with the Group's business needs. Management exercises judgement in determining whether these extension and termination options are reasonably certain to be exercised.

The Group-has also applied judgement to determine the lease term for some lease contracts in which it is a lessee that either have no specified end date, or where the Group continues to occupy the property despite the contractual lease end date having passed. In determining the lease term, the Group takes into consideration its commercial strategy on a store-by-store basis and the future intentions of the Group regarding the duration of continuing occupation of the property. For lease contracts falling into these parameters, the associated lease liability is calculated at the present value of the minimum lease payments over the estimated lease term, discounted at the Group's incremental cost of borrowing. A corresponding right-of-use asset is also recognised.

The Group presents right-of-use assets that do not meet the definition of investment property separately on the face of the Consolidated Statement of Financial Position. The Group presents lease liabilities separately within the Consolidated Statement of Financial Position.

Notes to the Consolidated Financial Statements continued

16. Leases continued

Accounting Policy continued

Short-term Leases

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Payments Expensed to the Consolidated Group Income Statement:

Variable lease payments, short-term lease payments, rolling lease payments and non-lease service components have been charged to the Consolidated Income Statement. Variable lease payments charged to the Consolidated Income Statement are those which are impacted by changes in sales at certain stores where the lease includes an element of turnover rent. Rolling lease payments are in relation to leases where the Group has applied judgement to determine the lease term for certain lease contracts in which the Group is a lessee that either have no specified end date, or where the Group continues to occupy the property despite the contractual lease end date having passed.

As a Lessor

The Group sub-leases a small number of properties. When the Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, the lease is a finance lease. If not, then it is an operating lease. As part of this assessment, the Group considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

When the Group is an intermediate lessor, it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the Group applies the exemption described above, then it classifies the sub-lease as an operating lease.

The Group recognises lease payments received under operating leases as income on a straight-line basis over the lease term as part of other income.

The Group as a Lessee

Information about leases for which the Group is a lessee is presented below.

Property Leases

The Group leases buildings for its office space, retail stores and warehouses. Some leases include an option to renew the lease for an additional number of years after the end of the non-cancellable period. Some require the Group to make payments that relate to the property taxes levied on the lessor and insurance payments made by the lessor.

Some properties leased by the Group provide for additional rent payments that are based on changes in local price indices or sales that the Group makes at the leased store in the period. In respect of contracts linked to store sales, initial recognition of the lease liability is measured at the present value of the minimum lease payments specified in the contract excluding the element linked to sales, since the variable element of these payments is not based on an index or rate. Where the variable element of the payments is based on an index or rate, initial and subsequent measurement of the lease liability includes these index linked payments.

Other Leases

The Group also leases vehicles and equipment (including IT equipment).

The carrying amount of the right-of-use asset is as follows:

	2025 £m	2024 £m
Right-of-use assets	**2,813**	2,297

Notes to the Consolidated Financial Statements continued

16. Leases continued
Right-of-use Assets

	Property £m	Plant & vehicles £m	**Total £m**
Net book value			
At 28 January 2023	2,171	11	**2,182**
Additions	570	23	**593**
Additions - on acquisition	–	–	**–**
Transfer to assets held-for-sale	–	–	**–**
Reclassifications	4	17	**21**
Disposals	(33)	(1)	**(34)**
Divestments	(53)	–	**(53)**
Impairment	(16)	–	**(16)**
Depreciation	(400)	(13)	**(413)**
Remeasurement adjustments	78	(13)	**65**
Foreign exchange retranslation	(48)	–	**(48)**
At 3 February 2024	2,273	24	**2,297**
Additions	615	4	**619**
Additions - on acquisition	383	14	**397**
Transfer to assets held-for-sale (Note 37)	(42)	–	**(42)**
Reclassifications	–	(2)	**(2)**
Disposals	(70)	–	**(70)**
Divestments (Note 12)	(6)	–	**(6)**
Impairment[(1)]	(26)	–	**(26)**
Depreciation	(448)	(10)	**(458)**
Remeasurement adjustments	116	–	**116**
Foreign exchange retranslation	(12)	–	**(12)**
At 1 February 2025	2,783	30	**2,813**

(1) The impairment charge for the period is made up of adjusting items of £19 million (2024: £2 million) and non-adjusting items of £7 million (2024: £14 million). See Note 4 for adjusting items.

Lease modifications have been accounted for by remeasuring the right-of-use asset and corresponding lease liability for any change in lease length and total consideration, recalculated using a revised discount rate of the lessee's incremental borrowing rate at the effective date of the modification. Other remeasurement adjustments to the right-of-use asset predominantly relate to deferred income and rolling leases.

Notes to the Consolidated Financial Statements continued

16. Leases continued

Right-of-use Assets continued

The total net book value divested in the year ended 1 February 2025 is £6 million (see Note 12), of which £nil was classified as held-for-sale in the 53 weeks ended 3 February 2024 and £6 million was divested in the current year. (Year ended 3 February 2024: total net book value of £84 million divested, of which £31 million was classified as held for sale in the 52 weeks ended 28 January 2023 and £53 million was divested in the year ended 3 February 2024.)

Impairment of Right-of-use Assets

The majority of the Group's right-of-use assets relate to leases of retail stores. The Group treats each store as a separate cash-generating unit ('CGU') for impairment testing as this is the level at which largely independent cash inflows are generated. Each store CGU comprises the store right-of-use asset and associated property, plant and equipment, and is tested for impairment at the balance sheet date if any indicators of impairment have been identified. Note 14 summarises the relevant accounting policy followed and key assumptions and judgements.

The remainder of the Group's right-of-use assets comprise leased office and warehouse space along with vehicles and equipment. As explained in Note 14 in regard to owned corporate assets, these have been tested by reference to the cash flows generated by the grouping of stores CGUs in the region or fascia that they serve.

Where indicators of impairment are identified, the store CGU has been tested for impairment by comparing its carrying amount with its recoverable amount determined from value-in-use calculations. Fair value less costs of disposal has also been considered where appropriate. Where the recoverable amount was less than the carrying value, an impairment charge has been recorded, pro-rated between the store CGU's right-of-use asset and property, plant and equipment as appropriate.

The Group has recognised an impairment charge of £26 million (2024: £16 million) against right-of-use assets as a result of impairment testing.The impairment charge recognised is not materially sensitive to reasonably possible changes in the key assumptions set out in Note 14.

Lease Liabilities

The Group presents lease liabilities separately within the Consolidated Statement of Financial Position. The carrying amount of the lease liabilities as at 1 February 2025 is shown below, along with a maturity analysis of contractual undiscounted cash flows to which the Group is committed.

	2025 £m	2024 £m
Maturity analysis - contractual undiscounted cash flows		
Within one year	**650**	490
Later than one year and not later than two years	**587**	440
Later than two years and not later than three years	**521**	387
Later than three years and not later than four years	**454**	334
Later than four years and not later than five years	**373**	296
After five years	**1,129**	999
Total undiscounted lease liabilities	**3,714**	2,946

	2025 £m	2024 £m
Current	**493**	416
Non-current	**2,566**	2,068
Lease liabilities included in the Consolidated Statement of Financial Position	**3,059**	2,484

Notes to the Consolidated Financial Statements continued

16. Leases continued

Lease Liabilities continued

	2025 £m	2024 £m
Opening balance	**2,484**	2,384
Additions	**620**	593
Acquisitions	**387**	–
Interest on lease liabilities	**112**	84
Repayments of lease liability	**(532)**	(484)
Liability adjustment[1]	**–**	(52)
Foreign exchange retranslation	**(12)**	(41)
Closing balance	**3,059**	2,484

(1) Liability adjustments include £(6) million for divestments (2024: £(55) million), £(70) million for disposals (2024: £(37) million) and £(50) million for transfers to liabilities held-for-sale (2024: £(32) million), see Note 12 for divestments and Note 37 for held-for-sale. There are also £126 million (2024: £41 million) for remeasurement adjustments.

Amounts recognised in the Consolidated Statement of Cash Flows and their categorisation are below:

		52 weeks to 1 February 2025 £m	53 weeks to 3 February 2024 £m
Repayments of principal portion of lease liability	(Cash flows from financing activities)	**420**	400
Interest on lease liabilities	(Cash flows from operating activities)	**112**	84
Expenses relating to short-term leases	(Net operating costs)	**4**	2
Variable lease payments	(Net operating costs)	**105**	105
Total cash outflow for leases		**641**	591

Amounts recognised in the Consolidated Income Statement:

	52 weeks to 1 February 2025 £m	53 weeks to 3 February 2024 £m
Depreciation expense of right-of-use assets	**458**	413
Interest on lease liabilities	**112**	84
Variable lease payments not included in the measurement of lease liabilities	**105**	105
Income from subleasing right-of-use assets	**(1)**	(1)
Expenses relating to short term leases	**4**	2
Impairment of right-of-use assets	**26**	16

The Group as a Lessor

The Group sub-leases some of its residential and office properties under operating leases. The Group has classified these leases as operating leases, because they do not transfer substantially all the risk and rewards incidental to the ownership of the assets. Lease income from lease contracts in which the Group acts as a lessor amounted to £1 million (2024: £1 million).

Notes to the Consolidated Financial Statements continued

17. Other Assets

Key Money

Monies paid in certain countries to give leaseholders access to retail locations are capitalised within non-current assets. Key money is stated at cost less expected credit losses. The key money is recoverable on disposal of a retail location but a loss allowance is calculated if the recoverable amount is less than the historic cost. Gains/losses on key money from the subsequent disposal of these retail locations are recognised in the Consolidated Income Statement. Within key money are amounts due within one year of £1 million (2024: £1 million).

Deposits

Money paid in certain countries as deposits to store landlords as protection against non-payment of rent is capitalised within non-current assets. Deposits are stated at cost less expected credit losses. The deposit is recoverable on disposal of a retail location. Deposits are assessed for recoverability on leased stores using an IFRS 9 expected credit loss model. No loss allowance was recognised as of 1 January 2025 because it was assessed that the amounts are fully recoverable. Within Deposits are amounts due within one year of £2 million (2024: £6 million).

	Key Money £m	Deposits £m	**Total £m**
Cost			
At 28 January 2023	14	49	**63**
Additions	–	10	**10**
Disposals	(2)	(11)	**(13)**
Exchange differences	–	(3)	**(3)**
At 3 February 2024	12	45	**57**
Additions	–	19	**19**
Disposals	–	(13)	**(13)**
Acquisitions	4	8	**12**
At 1 February 2025	16	59	**75**
Impairment			
At 28 January 2023	6	–	**6**
Disposals	(3)	–	**(3)**
At 3 February 2024	3	–	**3**
Acquisitions	1	–	**1**
At 1 February 2025	4	–	**4**
Net book value			
At 1 February 2025	12	59	**71**
At 3 February 2024	9	45	**54**

Notes to the Consolidated Financial Statements continued

18. Investments in Associates and Joint Ventures

Accounting Policy

The Group's interests in equity-accounted investees comprise interests in associates and interests in joint ventures. Associates are those entities in which the Group has significant influence, but not control or joint control, over the financial and operating policies. A joint venture is an arrangement in which the Group has joint control over the financial and operating policies.

Interests in associates and joint ventures are accounted for using the equity method and are initially recognised at cost and subsequently a provision for impairment is recognised where appropriate. Subsequent to initial recognition, the Consolidated Financial Statements include the Group's share of the profit or loss and other comprehensive income of equity-accounted investees, until the date on which significant influence or joint control ceases.

Transactions and balances with associates and joint ventures are undertaken on a standard commercial terms. Outstanding balances are unsecured (unless otherwise stated) and will be settled in cash.

	2025 £m	2024 £m
Interest in associates	–	33
Interest in joint ventures	1	11
	1	44

	Associates £m	Joint Ventures £m	Total £m
Net book value			
At 28 January 2023	28	11	39
Additions	–	–	–
Disposals	(2)	(1)	(3)
Share of profit	7	1	8
At 3 February 2024	33	11	44
Dividends received	(5)	–	(5)
Disposals	(33)	(12)	(45)
Share of profit	5	2	7
At 1 February 2025	–	1	1

Disposals in Associates

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. 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 at 1 February 2025 is £38 million. Please refer to Note 19 for further information.

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 item.

Joint Ventures

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. See Note 12 for further details.

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. See Note 12 for further details.

Following the disposal of the above equity interests, the Group has other interests of £1 million (2024: £44 million).

Notes to the Consolidated Financial Statements continued

19. Other Investments

The Group had an equity interest in a single associate, Applied Nutrition Limited ('Applied Nutrition'). On 24 October 2024, Applied Nutrition undertook an initial public offering ("IPO") and admitted its entire issued ordinary share capital to the London Stock Exchange plc's main market for listed securities; this led to the decision for the Group to dispose of 21.58% of its shareholding in Applied Nutrition. 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 at 1 February 2025 is £38 million. Please refer to note 18 for further information.

The Group has made an irrevocable election to present subsequent changes in the fair value of an investment in the Applied Nutrition equity instrument in other comprehensive income. The retained investment is not held for trading. The fair value gain recognised in other comprehensive income, subsequent to the disposal, in the period is £4 million.

	Fair value through other comprehensive income £m	**Total £m**
Applied Nutrition	38	**38**
Other Investments	38	**38**
Of which:		
Current	–	**–**
Non-Current	38	**38**

Notes to the Consolidated Financial Statements continued

20. Inventories

	2025 £m	2024 £m
Finished goods and goods for resale	**2,021**	1,593

The cost of inventories recognised as expenses and included in cost of sales for the 52 weeks ended 1 February 2025 was £5,995 million (2024: £5,494 million).

Included within inventories is £1 million of deferred supplier rebates (2024: £2 million).

At the prior period end, net inventories £14 million were transferred to assets held-for-sale (current period £Nil - see Note 37 comparative information).

The Group had £77 million (2024: £71 million) of stock provisions at the end of the period, the movement on this provision is shown below:

	£m
At 28 January 2023	**74**
Recognised	52
Released	(8)
Utilised	(46)
Divested	(3)
Other	(1)
Foreign Exchange	3
At 3 February 2024	**71**
Recognised	58
Released	(6)
Utilised	(46)
Divested	–
Other	1
Foreign Exchange	(1)
At 1 February 2025	**77**

21. Trade and Other Receivables

Credit Risk

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with the industry and country in which customers operate.

The trade receivables balances are typically held by the wholesale businesses within the Group. Each subsidiary establishes a credit policy under which each new customer is analysed individually for creditworthiness before the payment and delivery terms and conditions are offered. The Group review includes financial statements, credit agency information and industry information. Each subsidiary limits its credit exposure by setting payment periods and, in certain circumstances, these are approved by Group management.

Customers are monitored by taking into account their credit characteristics: whether they are a wholesale or retail customer, their geographic location, industry, trading history with the Group and existence of previous financial difficulties.

Expected Credit Loss Assessment

Each subsidiary within the Group allocates each exposure to a credit risk grade based on the data that is determined to be predictive of the risk of loss (including but not limited to external ratings, audited financial statements, management accounts and available press information about customers) and by applying experienced credit judgement.

An allowance matrix is used to measure the expected credit losses ('ECLs') of trade receivables from smaller customers, which comprise a large number of small balances. Loss rates are based on actual credit loss experience over the past five years, factoring in other information such as current conditions, age of the customer relationship and the view of the economic conditions over the expected lives of the receivables.

The Group recognises loss allowances for ECLs on financial assets measured at amortised cost and measures the loss allowances at an amount equal to the lifetime ECLs for trade receivables.

Notes to the Consolidated Financial Statements continued

21. Trade and Other Receivables continued

	2025 £m	2024 £m
Current assets		
Trade receivables	**27**	37
Other receivables	**50**	37
Forward contract asset	**12**	3
Prepayments	**173**	148
Accrued income	**4**	2
Right of return asset	**11**	26
	277	253
Non-current assets		
Interest rate swap	**–**	1
Other receivables	**1**	–
	1	1

The following table provides information about the exposure to credit risk and expected credit losses for trade receivables as at 1 February 2025:

	2025			2024		
	Gross carrying amount £m	**Loss allowance £m**	**Net £m**	Gross carrying amount £m	Loss allowance £m	Net £m
Not past due	**16**	**–**	**16**	27	–	27
Past due 0 - 30 days	**5**	**–**	**5**	2	–	2
Past due 31 - 60 days	**3**	**–**	**3**	3	–	3
Past due 61 - 90 days	**2**	**–**	**2**	–	–	–
More than 90 days past due	**6**	**(5)**	**1**	6	(1)	5
	32	**(5)**	**27**	38	(1)	37

At 1 February 2025, the exposure to credit risk for trade receivables by geographic region was as follows:

	2025			2024		
	Gross £m	**Loss allowance £m**	**Net £m**	Gross £m	Loss allowance £m	Net £m
UK & ROI	**7**	**–**	**7**	13	–	13
Europe	**17**	**(1)**	**16**	11	(1)	10
North America	**4**	**–**	**4**	5	–	5
Rest of world	**4**	**(4)**	**–**	9	–	9
Total	**32**	**(5)**	**27**	38	(1)	37

At 1 February 2025, the exposure to credit risk for trade receivables by type of counterparty was as follows:

	2025			2024		
	Gross £m	**Loss allowance £m**	**Net £m**	Gross £m	Loss allowance £m	Net £m
Wholesale customers	**9**	**(1)**	**8**	12	(1)	11
Retail customers	**6**	**–**	**6**	4	–	4
End user customers	**6**	**–**	**6**	2	–	2
Other[1]	**11**	**(4)**	**7**	20	–	20
Total	**32**	**(5)**	**27**	38	(1)	37

(1) Other includes, supplier rebates, amounts owed by suppliers for contributions towards marketing promotion costs, amounts owed by Macy's relating to Finish Line sales in Macy's stores and amounts owed relating to liquidated stock.

Notes to the Consolidated Financial Statements continued

21. Trade and Other Receivables continued

Movement on the provision is shown below:

	£m
At 28 January 2023	**2**
Created	1
Released	(1)
Utilised	(1)
At 3 February 2024	**1**
Created	4
Released	(1)
Acquired on acquisition	1
At 1 February 2025	**5**

As at 1 February 2025, the Group has evaluated the carrying amounts of all classes of financial assets included within the Trade and Other Receivables balance. While an allowance for expected credit losses has been recognised in respect of trade receivables, management has assessed that other receivables do not contain material credit risk.

This assessment is based on the creditworthiness of the counterparties, historical loss experience, and forward-looking information. Accordingly, no material expected credit loss allowance has been recognised for these balances.

22. Cash and Cash Equivalents

Cash at bank and in hand comprise cash balances and call deposits with an original maturity of three months or less, readily convertible to known amounts of cash, and subject to an insignificant risk of changes in value.

Cash equivalents represent lodgements in transit held with a third-party payment processor. Customer payments are collected on behalf of the Group and pending settlement into the Group's primary bank account.

Bank overdrafts are included as a component of cash and cash equivalents for the purpose of the Consolidated Statement of Cash Flows, as these are used as an integral part of the Group's cash management.

	2025 £m	2024 £m
Cash at bank and in hand	**455**	435
Cash equivalents	**57**	50
Other short term deposits < 3 months	**219**	668
	731	1,153

At the period end, cash and cash equivalents of £Nil (2024: £9 million) were transferred to assets held-for-sale (see Note 37 for further information).

23. Interest-Bearing Loans and Borrowings

Interest-bearing borrowings are recognised initially at fair value less attributable transaction costs. Following the initial recognition, interest-bearing borrowings are stated at amortised cost with any difference between cost and redemption value being recognised in the Consolidated Income Statement over the period of the borrowings on an effective interest basis.

	2025 £m	2024 £m
Current liabilities		
Bank overdrafts	**36**	60
Bank facilities	**48**	10
Other bank loans	**4**	23
Bank loans and overdrafts - current	**88**	93
Non-current liabilities		
Term bank loan	**560**	-
Other bank loan	**31**	37
Bank loans and overdrafts - non-current	**591**	37

The following provides information about the contractual terms of the Group's interest-bearing loans and borrowings. For more information about the Group's exposure to interest rate risk, see Note 24.

Notes to the Consolidated Financial Statements continued

23. Interest-bearing Loans and Borrowings continued

Term Loan

On 23 April 2024, the Group entered into a new Term Loan Facility Agreement for a total commitment of $1 billion (£775 million) for the purpose of acquiring Hibbett Inc. On 25th 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 (£560 million).

The Term of the facility is 18 months to 23 October 2025 followed by 3 periods of 3 month extensions which are under the full control of JD Sports Fashion Plc. This takes the ultimate maturity to July 2026 should these extension options be taken. The Group is subject to covenants on consolidated net assets, net debt leverage and a fixed charge cover. The interest rate periods payable on the loan are at six month intervals with interest payable at a rate of SOFR (Secured Overnight Financing Rate) plus a margin of 1.0%.

As at 1 February 2025, this facility encompassed cross guarantees between the Company, Blacks Outdoor Retail Limited, JD Sports Fashion SRL (Italy), Go Outdoors Retail Limited, Genesis Holdings, Inc., Genesis Topco, Inc. Shoe Palace Corporation, The Finish Line Inc, The Finish Line USA Inc, DTLR Inc, Genesis Finco Limited, Spodis SA, JD Sports Fashion Aus Pty, JD Sports Fashion (Ireland) Limited and Hibbett Inc.

Bank Facilities

UK

As at 1 February 2025, the Group had a syndicated committed £700 million bank facility expiring on 6 November 2026. The Group is subject to covenants on consolidated total net assets, net debt leverage and a fixed charge cover. Under this facility, a maximum of 15 drawdowns can be outstanding at any time, with drawdowns made for a period of one, two, three or six months, with interest currently payable at a rate of SONIA (Sterling Overnight Index Average) plus a margin of 0.9% (2024: SONIA plus a margin of 0.9%).

As at 1 February 2025, this facility encompassed cross guarantees between the Company, Blacks Outdoor Retail Limited, JD Sports Fashion SRL (Italy), Go Outdoors Retail Limited, Genesis Holdings, Inc., Genesis Topco, Inc. Shoe Palace Corporation, The Finish Line Inc, The Finish Line USA Inc, DTLR Inc, Genesis Finco Limited, Spodis SA, JD Sports Fashion Aus Pty, JD Sports Fashion (Ireland) Limited and Hibbett Inc.

At 1 February 2025, £36 million was drawn down on this facility (2024: £Nil).

US

The Group's second principal bank facility is a syndicated Asset Based Lending Facility in the US, which has a maximum revolving advance amount of approximately $300 million (£242 million) and expires on 24 September 2026 (2024: $300 million (£238 million)). At 1 February 2025, $15 million (£12 million) was drawn down on this facility (2024: $13 million (£10 million)). There are no covenants on this facility and the facility is only available to the Genesis Topco Inc group of companies. The interest is payable at a rate of SOFR (Secured Overnight Financing Rate) plus a margin of 1.0%.

As at 1 February 2025, this facility encompassed cross guarantees between the companies in the Genesis Topco Inc subgroup.

Bank Loans and Overdrafts

The bank loans and overdrafts attract interest rates ranging from 0.4% to 7.0%. The overdrafts are repayable on demand and the bank loans are repayable over periods between three and 59 months. Included within bank loans and overdrafts are bank loans of £595 million (2024: £60 million) and overdrafts of £36 million (2024: £60 million).

Notes to the Consolidated Financial Statements continued

24. Financial Instruments

Financial assets and financial liabilities are recognised in the Consolidated Statement of Financial Position when the Group becomes a party to the contractual provisions of the instrument. Financial assets are derecognised when the contractual rights to the cash flows from the financial assets expire or are transferred. Financial liabilities are derecognised when the obligation specified in the contract is discharged, is cancelled or expires.

The Group recognises the following financial instruments on its Consolidated Statement of Financial Position.

	2025 £m	At amortised cost £m	At fair value through profit or loss £m	At fair value through other comprehensive income £m
Financial assets				
Cash and cash equivalents	**731**	731	–	–
Deposits	**59**	59	–	–
Key Money	**12**	12	–	–
Trade receivables	**27**	27	–	–
Other receivables	**51**	51	–	–
Accrued income	**4**	4	–	–
Other Investments(1)	**38**	–	–	38
Foreign exchange forward contracts – non-hedged	**12**	–	12	–
Financial liabilities				
Foreign exchange forward contracts – non-hedged	**(1)**	–	(1)	–
Trade payables	**(840)**	(840)	–	–
Other payables and accrued expenses	**(500)**	(500)	–	–
Other payables – non-current	**(145)**	(145)	–	–
Lease liabilities - current	**(493)**	(493)	–	–
Lease liabilities - non-current	**(2,566)**	(2,566)	–	–
Deferred consideration - non-current	**(3)**	(3)	–	–
Interest-bearing loans and borrowings – current	**(88)**	(88)	–	–
Interest-bearing loans and borrowings – non-current	**(591)**	(591)	–	–
Put and call options held by Non-controlling interests - current	**(188)**	(188)		
Put and call options held by Non-controlling interests - non-current	**(669)**	(669)	–	–

(1) 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 at 1 February 2025 is £38 million. Please refer to Note 19 for further information.

	2024 £m	At amortised cost £m	At fair value through profit or loss £m	At fair value through other comprehensive income £m
Financial assets				
Cash and cash equivalents	**1,153**	1,153	–	–
Deposits	**45**	45	–	–
Key Money	**9**	9	–	–
Trade receivables	**37**	37	–	–
Other receivables	**37**	37	–	–
Accrued Income	**2**	2	–	–
Foreign exchange forward contracts – non-hedged	**3**	–	3	–
Interest rate swap	**1**	–	1	–
Financial liabilities				
Foreign exchange forward contracts – non-hedged	**(2)**	–	(2)	–
Trade payables	**(783)**	(783)	–	–
Other payables and accrued expenses	**(456)**	(456)	–	–
Other payables – non-current	**(155)**	(155)	–	–
Lease liabilities - current	**(416)**	(416)	–	–
Lease liabilities - non-current	**(2,068)**	(2,068)	–	–
Contingent consideration – non-current	**(2)**	–	(2)	–
Interest-bearing loans and borrowings – current	**(93)**	(93)	–	–
Interest-bearing loans and borrowings – non-current	**(37)**	(37)	–	–
Put and call options held by non-controlling interests	**(810)**	(810)	–	–

Notes to the Consolidated Financial Statements continued

24. Financial Instruments continued

Financial Assets

The Group's financial assets are non-derivative and derivative financial assets. The non-derivative assets are initially recognised at fair value and subsequently measured at amortised cost, and are held to collect principal contractual cash flows and related interest. Credit loss allowance is calculated using lifetime expected credit losses for trade receivables and contract assets, and as 12-months expected credit loss for other assets, if the assets are considered to have low credit risk or if there was no significant increase in credit risk since initial recognition. Cash and cash equivalents comprise short-term cash deposits with major clearing banks earning floating rates of interest based upon bank base rates or rates linked to SONIA, SOFR (Secured Overnight Financing Rate), EURIBOR (Euro Interbank Offered Rate), and WIBOR (Warsaw Interbank Offer Rate).

Financial Liabilities

Financial liabilities other than deferred consideration and foreign exchange forward contracts are initially recognised at amortised cost. Deferred consideration and foreign exchange forward contracts are recognised at fair value.

Risk Management

The Group's operations expose it to a variety of financial risks including the effect of changes in exchange rates, interest rates, credit risk and liquidity position. The Group manages these risks through the use of derivative instruments, which are reviewed on a regular basis. There are no concentrations of risk in the period to 1 February 2025 (3 February 2024: None).

Foreign Currency Risk

The currency profile of those monetary financial assets and liabilities subject to foreign currency risk are shown below:

2025	Total	Sterling	Euros	US Dollars	Polish Zloty	Australian Dollars	Other
Cash and cash equivalents	**731**	183	331	148	3	26	40
Trade receivables	**27**	6	14	4	2	–	1
Interest-bearing loans and borrowings	**(679)**	–	(86)	(567)	(15)	(1)	(10)
Trade payables	**(840)**	(167)	(286)	(330)	(12)	(20)	(25)
Net exposure by currency	**(761)**	22	(27)	(745)	(22)	5	6

2024	Total	Sterling	Euros	US Dollars	Polish Zloty	Australian Dollars	Other
Cash and cash equivalents	**1,153**	203	360	472	4	55	59
Trade receivables	**37**	18	10	9	–	–	1
Interest-bearing loans and borrowings	**(130)**	(6)	(74)	–	(40)	–	(10)
Trade payables	**(783)**	(207)	(216)	(299)	(27)	(17)	(18)
Net exposure by currency	**277**	8	80	182	(63)	38	32

Foreign Currency Translation

Transactions denominated in foreign currencies are translated into Sterling at the exchange rate prevailing on the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into Sterling at the rate of exchange at the reporting date. Exchange differences in monetary items are recognised in the Consolidated Income Statement.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in Other Comprehensive Income or profit or loss are also recognised in Other Comprehensive Income or profit or loss, respectively).

On consolidation, the assets and liabilities of the Group's overseas operations are translated into Sterling at the rate of exchange at the reporting date. Income and expenses are translated at the average exchange rate for the accounting period. Foreign currency differences are recognised in Other Comprehensive Income and are presented in the foreign currency translation reserve.

Derivative Financial Instruments

The Group uses derivative financial instruments to hedge its exposure to foreign exchange risks arising from operational activities. In accordance with its Treasury Policy, the Group does not hold or issue derivative financial instruments for trading purposes.

Derivative financial instruments are accounted for as held for trading, initially recognised at fair value and remeasured at each period end, with the gain or loss on remeasurement recognised in the Consolidated Income Statement as incurred. The fair value is the price that would have been received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Notes to the Consolidated Financial Statements continued

24. Financial Instruments continued

Hedging of Monetary Assets and Liabilities

Where a derivative financial instrument is used to hedge the foreign exchange exposure of a recognised monetary asset or liability, no hedge accounting is applied and any gain or loss on the hedging instrument is recognised in the Consolidated Income Statement.

The Group is exposed to foreign currency risk on sales and purchases that are denominated in a currency other than Pound Sterling. The currencies giving rise to this risk with principal exposure are the Euro and US Dollar, with sales and purchases made in both currencies. To protect its foreign currency position, the Group sets a buying rate in each country for the purchase of goods in US Dollars at the start of the buying season (typically six to nine months before the product actually starts to appear in the stores) and then enters into a number of local currency/US Dollar contracts whereby the minimum exchange rate on the purchase of Dollars is guaranteed. Our European supply chain strategy has continued to reduce the Sterling/Euro exposure as the European Distribution Centres increasingly source the goods in Euros and create a natural hedge. Surplus Euros are also used to fund the international store developments across Europe, thus alleviating the need for local third-party financing.

As at 1 February 2025, the fair value of these instruments were assets of £12 million (2024: £3 million) and liabilities of £1 million (2024: £2 million). The net asset of £11 million is due within one year (2024: net asset of £1 million). A gain of £10 million (2024: loss of £17 million) has been recognised in cost of sales within the Consolidated Income Statement for the change in fair value of these instruments.

We have considered both the Group and the counterparties' credit risk and none are expected to have a material effect on the valuation of these instruments.

The Group has considered the impact of a 10% strengthening or weakening of Sterling relative to the following currencies as at the reporting date. The reduction to profit before tax illustrates the impact on monetary assets and liabilities held in other currencies than the Group's presentational currency of Sterling. The reduction in equity illustrates the impact of the translation of the Group's subsidiaries whose functional currencies are different to the Group's presentational currency of Sterling plus the impact on monetary assets and liabilities held in other currencies than the Group's presentational currency of Sterling.

A 10% strengthening would have reduced profit before tax and equity as follows:

	Profit before tax		Equity	
	2025 £m	2024 £m	**2025 £m**	2024 £m
Euros	**3**	14	**61**	58
US Dollars	**74**	13	**111**	167
Other	**1**	4	**20**	21
	78	31	**192**	246

A 10.0% weakening of Sterling relative to the following currencies as at the reporting date would have increased profit before tax and equity as follows:

	Profit before tax		Equity	
	2025 £m	2024 £m	**2025 £m**	2024 £m
Euros	**3**	14	**61**	58
US Dollars	**74**	13	**111**	167
Other	**1**	4	**20**	21
	78	31	**192**	246

Calculations are performed on the same basis as the prior period and the method assumes that all other variables remain unchanged.

Interest Rate Risk

The Group finances its operations by a mixture of equity and bank borrowings. The Group's borrowings are at floating rates. Interest rate risk therefore arises from bank borrowings. The Group also has short-term cash deposits with major clearing banks earning floating rates of interest based upon bank base rates or rates linked to SONIA, SOFR (Secured Overnight Financing Rate), EURIBOR (Euro Interbank Offered Rate), and WIBOR (Warsaw Interbank Offer Rate). Interest rate risk therefore also arises from short-term cash deposits.

The Directors continue to be mindful of the potential volatility in base rates, but at present do not consider a long-term interest rate hedge necessary given the inherent short-term nature of both the revolving credit facility and Asset Based Lending Facility and the fact that the Group has short-term cash deposits earning floating rates of interest which create a natural hedge. This position is reviewed regularly, along with the level of facility required.

The Group has potential bank floating rate financial liabilities on the £700 million syndicated committed facility and the $300 million Asset Based Lending Facility together with overdraft facilities in subsidiary companies (see Notes 22 and 23). At 1 February 2025, £36.0 million was drawn down from the £700 million committed facility. $15.0 million of the $300 million Asset Based Lending Facility was drawn down at 1 February 2025 (2024: $13.0 million).

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 25th 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.

A change of 1.0% in the average interest rates during the period, applied to the Group's floating interest rate loans and borrowings as at the reporting date, would change profit before tax by £4 million (2024: £0.3 million) and would change equity by £4 million (2024: £0.3 million). The calculation is based on any floating interest rate loans and borrowings drawn down at the period end date. Calculations are performed on the same basis as the prior period and assume that all other variables remain unchanged.

Notes to the Consolidated Financial Statements continued

24. Financial Instruments continued

Credit Risk

Credit risk arises from the possibility of customers and counterparties failing to meet their obligations to the Group. Investments of cash surpluses, borrowings and derivative instruments are made through major clearing banks, which must meet minimum credit ratings as required by the Board.

All customers who wish to trade on credit terms are subject to credit verification procedures. Receivable balances are monitored on an ongoing basis and a provision is made for impairment where amounts are not thought to be recoverable (see Note 21). At the reporting date, there were no significant concentrations of credit risk, and receivables which are not impaired are believed to be recoverable.

The Group considers its maximum exposure to credit risk to be equivalent to total trade and other receivables (excluding prepayments, accrued income and right of return assets) of £89 million (2024: £78 million) and cash and cash equivalents of £731 million (2024: £1,153 million).

The table below provides details of cash and cash equivalents by long-term credit rating of investment-grade rated counterparties:

	2025 £m	2024 £m
Cash and cash equivalents	**731**	1,153
Aa1	**12**	111
Aa2	**11**	69
Aa3	**4**	134
A1	**454**	436
A2	**87**	225
A3	**118**	102
Baa1	**39**	41
Baa2	**1**	34
Baa3	**1**	–
Ba1	**3**	1
Ba2	**1**	–

Liquidity Risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group manages its cash and borrowing requirement to minimise net interest expense, whilst ensuring that the Group has sufficient liquid resources to meet the operating needs of the business.

The forecast cash and borrowing profile of the Group is monitored on an ongoing basis, to ensure that adequate headroom remains under committed borrowing facilities.

Further, the Board regularly reviews the current financial position and performance and assesses the future prospects of the Group. As part of this assessment, the Board reviews the Group's income and expenditure projections, cash flows and other key financial ratios along with the potential impact of, and challenges presented by, the principal risks outlined on pages 44 to 53. The Group's strategy along with the factors likely to affect the development, performance and position of the businesses are detailed throughout the Strategic Report on pages 2 to 87. In accordance with the requirements of the UK Corporate Governance Code, the Board has assessed the viability of the Group for a period of three years to 31 May 2028. See page 53 for the Group's Going Concern and Viability Statement.

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted.

	2025 £m	0-3 months £m	3-12 months £m	1-2 years £m	2-5 years £m	> 5 years £m
Non-derivative financial instruments						
Bank loans and overdrafts	**708**	84	31	578	13	2
Trade and other payables (1)	**1,510**	1,278	102	26	61	43
Lease liabilities(2)	**3,714**	165	485	587	1,348	1,129
Put and call options(3)	**902**	–	192	200	510	–
Derivative financial instruments						
Forward contracts (gross cash outflow)	**11**	2	9	–	–	–
	6,845	1,529	819	1,391	1,932	1,174

(1) Trade and other payables exclude accruals related to salaries, as these are non-financial instruments.
(2) This is the undiscounted value of the lease liabilities (see Note 16).
(3) An assumption has been made in relation to put and call options that the payment will be made between three and six months after the option has been exercised due to the time required to complete all of the required steps in each agreement and finalise the legal agreements.

Notes to the Consolidated Financial Statements continued

24. Financial Instruments continued
Liquidity Risk continued

	2024 £m	0-3 months £m	3-12 months £m	1-2 years £m	2-5 years £m	> 5 years £m
Non-derivative financial instruments						
Bank loans and overdrafts	**133**	55	36	32	9	1
Trade and other payables	**1,402**	1,144	94	26	69	69
Lease liabilities [1]	**2,946**	123	367	440	1,017	999
Put and call options[2]	**900**	–	–	176	724	–
Derivative financial instruments						
Forward contracts (gross cash outflow)	**138**	41	97	–	–	–
	5,519	1,363	594	674	1,819	1,069

(1) This is the undiscounted value of the lease liabilities (see Note 16).
(2) An assumption has been made in relation to put and call options that the payment will be made between three and six months after the option has been exercised due to the time required to complete all of the required steps in each agreement and finalise the legal agreements.

Fair Values
For the following balances as shown in the Statement of Financial Position as at 52 weeks to 1 February 2025, the fair value approximates the carrying value: Trade and other receivables, Cash and cash equivalents, Other investments, Interest-bearing loans and borrowings – current, Trade and other payables - current and non-current.

Fair values and carrying amounts differ for the following balances as shown in the Statement of Financial Position as at 52 weeks to 1 February 2025:

	Note	Carrying amount 2025 £m	Fair value 2025 £m
Interest-bearing loans and borrowings - non-current	23	**(591)**	**(559)**
Unrecognised gain			**(32)**

The comparatives at 3 February 2024 are as follows:

	Note	Carrying Amount 2024 £m	Fair value 2024 £m
Interest-bearing loans and borrowings - non-current	23	**(37)**	**(28)**
Unrecognised gain			**(9)**

The carrying value and fair value of the Genesis put/call option liability is approximately equal, please refer to Note 25b for further information in respect of measurement.

In respect of the Group's non-current financial assets and liabilities as at 1 February 2025 and 3 February 2024, the fair value has been calculated by discounting contractual cash at a rate which reflects the current market assessments of the time value of money and the specific risks applicable to the liability. The valuations were categorised as level 2 in the fair value hierarchy as significant inputs to valuations are observable.

Notes to the Consolidated Financial Statements continued

24. Financial Instruments continued

Fair Value Hierarchy

As at 1 February 2025, the Group held non-hedged foreign exchange forward contracts which were carried at fair value on the Consolidated Statement of Financial Position.

The Group uses the following hierarchy for determining and disclosing the fair value of financial instrument by valuation technique:

Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: Techniques which use inputs that have a significant affect on the recorded fair value that are not based on observable market data.

1 February 2025	Fair value £m	Level 1 £m	Level 2 £m	Level 3 £m
Financial assets at fair value through profit and loss				
Foreign exchange forward contracts – non-hedged	**12**	–	12	–
Other Investments	**38**	38	–	–
Financial liabilities at fair value through profit or loss				
Foreign exchange forward contracts – non-hedged	**1**	–	1	–

3 February 2024	Fair value £m	Level 1 £m	Level 2 £m	Level 3 £m
Financial assets at fair value through profit and loss				
Foreign exchange forward contracts – non-hedged	**3**	–	3	–
Interest rate swap	**1**	–	1	–
Financial liabilities at fair value through profit or loss				
Foreign exchange forward contracts – non-hedged	**(2)**	–	(2)	–
Contingent consideration - current	**–**	–	–	–
Contingent consideration - non-current	**(2)**	–	–	(2)

Notes to the Consolidated Financial Statements continued

25. Trade and Other Payables and Put and Call Option Liabilities

Trade and other payables are non-interest-bearing and are stated at their cost.

	2025 £m	2024 £m
Current liabilities		
Trade payables	**840**	783
Other payables and accrued expenses	**571**	475
Forward contract liability	**1**	2
Refund liabilities	**32**	53
Other tax and social security costs	**136**	133
Trade and other payables	**1,580**	1,446
Non-current liabilities		
Other payables and accrued expenses	**145**	155
Other payables	**145**	155

	2025 £m	2024 £m
Current liabilities	**188**	–
Non-current liabilities	**669**	810
Total put and call option liabilities	**857**	810

25a. Trade and Other Payables and accrued expenses

Other payables and accrued expenses include the following:

Reebok brand licence

In December 2021, the Group signed a contract with ABG Reebok LLC to license the Reebok brand in various territories. The agreement became effective during the 52 week period ended 28 January 2023. As a result, the Group has recognised an intangible asset for the use of the brand on the Balance Sheet and a liability for the discounted contractual minimum royalty payments under the initial 10 year term of £65 million.

Hoodrich brand licence

In December 2023, the Group signed a contract with Hoodrich Limited to license the Hoodrich brand in various territories. The agreement became effective during the 53 week period ended 3 February 2024. As a result, the Group has recognised an intangible asset for the use of the brand on the Balance Sheet and a liability for the discounted contractual minimum royalty payments under the initial 7 year term of £50 million.

Football Licenses

The Group has exclusive distribution agreements with 4 European football clubs and associations. The Group has recognised an intangible asset for the use of the brands on the Balance Sheet and a liability for the discounted contractual minimum royalty payments under the agreements. The contract terms range between 3 and 10 years and the asset will be amortised over the relevant contract life. At 1 February 2025 the asset and liability amounted to £16 million, £3 million of the liability is current and £13 million is non-current.

25b. 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.

Notes to the Consolidated Financial Statements continued

25. Trade and Other Payables and Put and Call Option Liabilities continued
25b. Put and Call Option Liabilities continued
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') £m	Genesis Topco Inc ('Genesis') £m	Marketing Investment Group S.A. ('MIG') £m	Other £m	**Total Liability**
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**

Notes to the Consolidated Financial Statements continued

25. Trade and Other Payables and Put and Call Option Liabilities continued
25b. Put and Call Option Liabilities continued
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
Current options – Options 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 of a put option.	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 of 30 calendar days after the end of the fiscal period ending 1 February 2028.	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
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 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 39 for further details.

Notes to the Consolidated Financial Statements continued

26. Provisions

A provision is recognised in the Consolidated Statement of Financial Position when the Group has a present legal or constructive obligation as a result of a past event, it is more likely than not that an outflow of economic benefits will be required to settle the obligation and the obligation can be estimated reliably.

Property Provision

Within the property provision, management has provided for expected dilapidations on stores and warehouses. This provision covers expected dilapidation costs for any lease considered onerous, any related to stores recently closed, stores which are planned to close or are at risk of closure and those under contract but not currently in use. Management maintains all properties to a high standard and carries out repairs whenever necessary during the Group's tenure. Therefore, if there is no risk of closure, any provision would be minimal and management does not consider it necessary to hold dilapidation provisions for these properties. The unwind of the provision will be dependent on management's decision about when a premises may be vacated, this would typically be over a five to seven year period.

Other Provisions

Other provisions comprises various other trade provisions and legal costs. The provisions are estimated based on accumulated experience, supplier communication and management approved forecasts. The unwind of the provision will be dependent on when the expected costs are incurred, this would typically be over a one to two year period.

Onerous Contract Provision

Within the onerous contract provision, management has provided against the minimum contractual cost for the remaining term on a non-cancellable logistics services contract for the warehouse in Portugal within the Sport Zone division. The provision will be unwound over the remaining period ending 30 September 2030.

	Property provision £m	Other provisions £m	Onerous contract provision £m	**Total £m**
Balance at 28 January 2023	21	5	4	**30**
Provisions released during the period	(1)	(1)	–	**(2)**
Provisions recognised during the period	2	3	3	**8**
Provisions utilised during the period	(1)	(3)	(3)	**(7)**
Balance at 3 February 2024	21	4	4	**29**
Provisions released during the period	(1)	(2)	–	**(3)**
Provisions recognised during the period	2	9	–	**11**
Provisions acquired in the period	–	9	–	**9**
Provisions utilised during the period	–	(8)	(1)	**(9)**
At 1 February 2025	22	12	3	**37**

Provisions have been analysed between current and non-current as follows:

	2025 £m	2024 £m
Current	**10**	8
Non-current	**27**	22
Provisions	**37**	30

Notes to the Consolidated Financial Statements continued

27. Deferred Tax Assets and Liabilities

Deferred tax assets and liabilities are attributable to the following:

	Assets 2025 £m	Assets 2024 £m	**Liabilities 2025 £m**	Liabilities 2024 £m	**Net 2025 £m**	Net 2024 £m
Property, plant and equipment	**5**	4	**(89)**	(69)	**(84)**	(65)
Employee benefits	**13**	12	**–**	–	**13**	12
Property	**33**	32	**–**	(1)	**33**	31
Specific trade provisions	**15**	9	**–**	–	**15**	9
Losses	**15**	10	**–**	–	**15**	10
Fascia names	**–**	–	**(120)**	(66)	**(120)**	(66)
Other	**5**	4	**–**	(1)	**5**	3
Tax assets/(liabilities)	**86**	71	**(209)**	(137)	**(123)**	(66)

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 table above shows the split of the deferred tax balance by category. 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) shown in the table above.

Movement in deferred tax during the period:

	PPE	Employee benefits	Property	Specific trade provisions	Losses	Fascia names	Other	**Total**
Balance as at 28 January 2023	(56)	13	31	12	5	(85)	3	**(77)**
Reclassification	1	–	(1)	–	–	–	–	**–**
Disposed during the period	–	–	–	–	–	1	–	**1**
Recognised in income statement	(11)	(1)	2	(2)	5	17	–	**10**
Foreign exchange movement	1	–	–	(2)	–	1	–	**–**
Balance as at 3 February 2024	**(65)**	**12**	**32**	**8**	**10**	**(66)**	**3**	**(66)**
Acquired/disposed during the period	(25)	12	(7)	4	3	(66)	1	**(78)**
Recognised in income statement	6	(12)	9	3	2	13	–	**21**
Foreign exchange movement	–	1	(1)	–	–	(1)	1	**–**
Balance as at 1 February 2025	(84)	13	33	15	15	(120)	5	**(123)**

As at 1 February 2025, the Group had not recognised deferred income tax liability (2024: £Nil) in respect of taxes that would be payable on the unremitted earnings of certain overseas subsidiaries. At this date, the unrecognised gross temporary differences in respect of overseas subsidiaries was £1,698 million (2024: £1,344 million). Deferred tax is not provided on these differences as:

i) No withholding tax is due under domestic tax legislation or the relevant tax treaty with the UK; or
ii) Withholding tax is recoverable in the UK; and/or
iii) Management has the ability to control any future reversal and does not consider such a reversal to be probable.

Notes to the Consolidated Financial Statements continued

27. Deferred Tax Assets and Liabilities continued

Unrecognised Deferred Tax Assets

In line with its accounting policy, deferred tax assets have not been recognised on gross temporary differences of £71 million (2024: £93 million) as there is uncertainty over the timing of their utilisation. Additional information in relation to unrecognised deferred tax is shown in the table below.

	Gross Amount 2025	**Tax Effect 2025**	Gross Amount 2024	Tax Effect 2024
Property, plant and equipment	**6**	**2**	7	2
Property	**15**	**5**	1	–
Specific trade provisions	**–**	**–**	2	–
Losses	**50**	**12**	83	21
Tax assets	**71**	**19**	93	23

Tax Losses Carried Forward

To assess the recoverability of potential deferred tax assets arising on carry forward tax losses, both the historic profitability of the entity and the forecast financial performance for the next financial year are reviewed. Consideration is given to the reasons behind the historic losses, i.e. whether they arose due to one-off events, or longer-term factors, such as initial organic growth in a new jurisdiction.

Where forecasts reflect a return to profitability, the key drivers are challenged and assessed. If there is sufficient evidence that it is 'more likely than not' that future taxable profits will exist against which unused tax losses may be offset, a deferred tax asset will be recognised.

The Group has recognised deferred tax assets on gross losses of £47 million (2024: £40 million) as outlined in the table below.

	2025 £m		2024 £m	
Recognised tax losses	**Gross Amount**	**Tax effect**	Gross Amount	Tax effect
Tax losses expiring:				
Within 10 years	**5**	**1**	–	–
More than 10 years	**4**	**1**	1	–
Available indefinitely	**38**	**10**	39	10
Total	**47**	**12**	40	10

Recognised tax losses (gross)	**2025 £m**	2024 £m
JD Sports Fashion Europe Holdings Limited	**13**	–
Iberian Sports Retail Group SL	**11**	15
Sprinter Megacentros Del Deporte SLU	**7**	11
JD Sports Fashion BV	**4**	8
Swim Sports Company Limited	**–**	5
JDSF Retail (Canada) Inc	**4**	–
Marketing Investment Group S.A.	**5**	–
Courir France SAS	**2**	–
Other	**1**	1
Total	**47**	40

Notes to the Consolidated Financial Statements continued

27. Deferred Tax Assets and Liabilities continued

In line with its accounting policy, deferred tax assets have not been recognised on gross losses of £50 million (2024: £84 million) as there is uncertainty over the timing of their utilisation. These losses are outlined in the table below.

Unrecognised tax losses	2025 £m Gross Amount	2025 £m Tax effect	2024 £m Gross Amount	2024 £m Tax effect
Tax losses expiring:				
Within 10 years	**5**	**1**	22	5
More than 10 years	**11**	**3**	16	4
Available indefinitely	**34**	**8**	46	12
Total	**50**	**12**	84	21

Unrecognised tax losses (gross)	2025 £m	2024 £m
JD Sports Fashion Germany B.V. & Co. KG	**–**	10
JD Size GmbH	**7**	6
JD Sports Fashion AT GmbH	**9**	8
JD Sports Fashion Sweden AB	**13**	11
JD Sports Fashion Korea Inc	**–**	18
JDSF Retail (Canada) Inc	**9**	16
JD Sports Fashion Finland OY	**3**	3
Tiso Group Limited and its subsidiaries	**2**	3
Total Swimming Holdings Limited and its subsidiaries	**–**	4
Other	**7**	5
Total	**50**	84

Notes to the Consolidated Financial Statements continued

28. Capital and Reserves

Issued Ordinary Share Capital

The total number of authorised ordinary shares in the year was 6,240 million (2024: 6,240 million) with a par value of 0.05 pence per share (2024: 0.05 pence per share). All issued shares are fully paid. Details of substantial shareholdings in the Group have been included in the Directors' Report on pages 94 to 95.

The capital structure of the Group consists of equity attributable to equity holders of the parent, comprising issued share capital, share premium and retained earnings.

The Group is not subject to any externally imposed capital requirements.

It is the Board's policy to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The processes for managing the Group's capital levels are that the Board regularly monitors the net cash/debt in the business, the working capital requirements and the forecast cash flows. Based on this analysis, the Board determines the appropriate return to equity holders while ensuring sufficient capital is retained in the business to meet its strategic objectives.

Full disclosure on the rights attached to shares is provided in the Directors' Report.

	Number of ordinary shares millions	Ordinary share capital £m	Share premium £m
At 3 February 2024	5,183.1	3	468
At 1 February 2025	**5,183.1**	**3**	**468**

Net Debt to Capital Ratio

There were no changes to the Group's approach to capital management during the period. The Board monitors capital using a net debt to equity ratio calculated as follows:

	2025 £m	2024 £m
Net debt (note 34)	**3,007**	1,452
Capital:		
Net debt (as above)	**3,007**	1,452
Equity (calculated as 5,183.1 million shares in issue multiplied by 89.1 pence per share (2024: 5,183.1 million shares in issue multiplied by 113.0 pence per share)[1]	**4,618**	5,857
Total Capital	**7,625**	7,309
Net debt to capital ratio	**39%**	20%

(1) Share prices taken as at 1 February 2025 and 3 February 2024 respectively.

Foreign Currency Translation Reserve

The foreign currency translation reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign operations.

Other Equity

Put and Call Option Reserve

Put and call options over non-controlling interests are accounted for using the present value method. Upon initial recognition of the put or call option liability, a corresponding entry is made to 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 (see Note 25).

Share-Based Payment Reserve

The Company had four share schemes in operation during the financial year, all of which are primarily equity-settled schemes (save for a proportion of cash-settled awards granted under the JD Sports Fashion Plc LTIP (2023)). Upon initial recognition, an entry is made to Other Equity, and for subsequent changes on remeasurement of the liability, the corresponding entry is made to the Consolidated Income Statement (see Note 33).

Notes to the Consolidated Financial Statements continued

29. Non-Controlling Interests

The following disclosure provides summarised financial information for investments that have non-controlling interests ('NCI'). NCI is initially measured at the proportionate interest in identifiable net assets of the acquiree (see Note 11 for more detail on Acquisitions of Non-Controlling Interest and Note 12 on Divestment of Non-Controlling Interest in the period). The table below provides a list of the subsidiaries which include NCI at 1 February 2025 and 3 February 2024:

	Country of Incorporation	**NCI at 1 February 2025 %**	NCI at 3 February 2024 %	**Net income attributable to NCI for 52 weeks ending 1 February 2025 £m**	**NCI at 1 February 2025 £m**	Net income attributable to NCI for 53 weeks ending 3 February 2024 £m	NCI at 3 February 2024 £m
Name of Subsidiary:							
Genesis Topco Inc	US	**20.0%**	20.0%	**54**	**433**	46	385
Iberian Sports Retail Group SL	Spain / Portugal	**–%**	–%	**–**	**–**	13	–
Marketing Investment Group S.A.	Poland	**–%**	–%	**–**	**–**	3	–
Other	Various (1)	**2.5% - 40%**	5% - 43%	**4**	**17**	4	27
				58	**450**	66	412

(1) Other includes subsidiaries incorporated in the UK, France, Canada, Cyprus, Greece, and the US.

The following table summarises the information relating to the Group's subsidiary that has a material NCI, Genesis Topco.

Summarised Statement of Financial Position	**Genesis Topco Inc (sub-group) 2025 £m**	Genesis Topco Inc (sub-group) 2024 £m
Current assets	**1,240**	1,050
Non-current assets	**2,404**	1,906
Total assets	**3,644**	2,956
Current liabilities	**(704)**	(666)
Non-current liabilities	**(885)**	(574)
Net assets	**2,055**	1,716

Summarised results of operations	**Genesis Topco Inc (sub-group) 52 weeks to 1 February 2025 £m**	Genesis Topco Inc (sub-group) 53 weeks to 3 February 2024 £m
Revenue	**4,243**	3,443
Profit for the period, net of tax	**227**	215

30. 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 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 weeks to 1 February 2025	53 weeks to 3 February 2024
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

Notes to the Consolidated Financial Statements continued

31. Commitments

As at 1 February 2025, the Group had entered into contracts to purchase property, plant and equipment as follows:

	2025 £m	2024 £m
Contracted	**54**	59

32. Pension Schemes

The Group operates defined contribution pension schemes, the assets of which are held separately from those of the Group in independently administered funds. Obligations for contributions to the defined contribution schemes are recognised as an expense in the Consolidated Income Statement when incurred.

The pension charge for the period represents contributions payable by the Group of £27 million (2024: £23 million) in respect of employees. Disclosure of the pension contributions payable in respect of the Directors is included in the Directors' Remuneration Report on pages 114 to 139. The amount owed to the schemes at the period end was £9 million (2024: £7 million).

33. Share-Based Payments

The share-based payment expense for the year is £1 million, which is made up of share option schemes, share awards and cash-settled awards, and will be settled in equity (2024: £3 million, of which £2 million will be settled in equity and £1 million in cash).

As at the reporting date, there was no liability arising from cash-settled share-based payments (2024: £Nil).

Share Option and Share Schemes

The Company had the following share schemes in operation during the financial year, all of which are primarily equity-settled schemes (save for a proportion of cash-settled awards granted under the JD Sports Fashion Plc LTIP (2023)):

1. The JD Sports Fashion Plc LTIP (2021) permits the grant of a hybrid of cash and options in respect of ordinary shares to selected executives. Options are normally exercisable between the vesting date(s) set at grant and 10 years from the date of grant for nil consideration. The vesting of options will normally be conditional upon the achievement of specified performance targets over a three-year period and/or continuous employment.
2. The JD Sports Fashion Plc LTIP (2022) permits the grant of a hybrid of cash and options in respect of ordinary shares to selected executives. Options are normally exercisable between the vesting date(s) set at grant and 5 years from the date of grant for nil consideration. The vesting of options will normally be conditional upon the achievement of specified performance targets over a three-year period and/or continuous employment.
3. JD Sports Fashion Plc LTIP (2023) permits the grant of share options in respect of ordinary shares, share awards and cash-settled awards to selected executives. Options are normally exercisable between the vesting date(s) set at grant and 10 years from the date of grant for nil consideration. The vesting of options, share awards and cash-settled awards will normally be conditional upon the achievement of specified performance targets over a three-year period and/or continuous employment.
4. JD Sports Fashion Plc LTIP (2024) permits the grant of share options in respect of ordinary shares, share awards and cash-settled awards to selected executives. Options are normally exercisable between the vesting date(s) set at grant and 10 years from the date of grant for nil consideration. The vesting of options and share awards will normally be conditional upon the achievement of specified performance targets over a three-year period and/or continuous employment.
5. The Deferred Bonus Plan permits the grant of options in respect of ordinary shares to selected senior executives as a proportion of annual bonus following the completion of a required service period and is dependent on the achievement of corporate performance and individual targets. Options are normally exercisable between three and 10 years from the date of grant for nil consideration.

Notes to the Consolidated Financial Statements continued

33. Share-Based Payments continued

The following tables reconcile the number of share options outstanding and the weighted average exercise price ('WAEP'):

52 week period ended 1 February 2025

	Long-Term Incentive Plan (2021)		Long-Term Incentive Plan (2022)		Long-Term Incentive Plan (2023)		Long-Term Incentive Plan (2024)		Deferred Bonus Plan (2024)	
	Options	WAEP (£)	Options	WAEP (£)	Options	WAEP (£)	Options	WAEP (£)	Options	WAEP (£)
Outstanding as at 3 February 2024	53,225	–	980,100	–	20,750,183	–	–	–	–	–
Options granted	549,310	–	–	–	2,667,232	–	29,349,661	–	534,125	–
Options forfeited	–	–	–	–	(3,918,756)	–	–	–	–	–
Options exercised	–	–	–	–	–	–	–	–	–	–
Options expired	–	–	–	–	–	–	–	–	–	–
Outstanding as at 1 February 2025	**602,535**	**–**	**980,100**	**–**	**19,498,659**	**–**	**29,349,661**	**–**	**534,125**	**–**
Exercise price (pence)		**–**		**–**		**–**		**–**		**–**
Exercisable at 1 February 2025		**–**		**–**		**–**		**–**		**–**
Weighted average remaining contractual life (years)[1]	0.4		–		1.8		2.8		1.3	
Range of exercise price	–		–		–		–		–	

(1) Contractual life represents the period from award to the vesting date. Certain schemes may be exercised later than the vesting date at the discretion of the individual.

53 week period ended 3 February 2024

	Long-Term Incentive Plan (2021)		Long-Term Incentive Plan (2022)		Long-Term Incentive Plan (2023)	
	Options	WAEP (£)	Options	WAEP (£)	Options	WAEP (£)
Outstanding as at 28 January 2023	53,225	–	–	–	–	–
Options granted	–	–	980,100	–	20,750,183	–
Options forfeited	–	–	–	–	–	–
Options exercised	–	–	–	–	–	–
Options expired	–	–	–	–	–	–
Outstanding as at 3 February 2024	**53,225**	**–**	**980,100**	**–**	**20,750,183**	**–**
Exercise price (pence)	–	–	–	–	–	–
Exercisable at 3 February 2024	**–**	**–**	**–**	**–**	**–**	**–**

	Long-Term Incentive Plan (2021)	Long-Term Incentive Plan (2022)	Long-Term Incentive Plan (2023)
Weighted average remaining contractual life (years)[1]	2.6	3.6	2.5

(1) Contractual life represents the period from award to the vesting date. Certain schemes may be exercised later than the vesting date at the discretion of the individual.

The number and weighted average fair value ('WAFV') of share awards granted during the financial year were:

	52 week period ended 1 February 2025		53 week period ended 3 February 2024	
	Number of shares	**WAFV[1][2] (pence)**	Number of shares	WAFV[1][2] (pence)
Long-Term Incentive Plan (2021)	**549,310**	**126.9**	53,225	113.0
Long-Term Incentive Plan (2022)	**–**	**–**	980,100	129.0
Long-Term Incentive Plan (2023) - equity-settled	**2,667,232**	**126.9**	20,750,183	129.0
Long-Term Incentive Plan (2024)	**29,349,661**	**131.7**	–	–
Deferred Bonus Plan	**534,125**	**124.4**	–	–
Buyout awards[1]	**38,008**	**134.5**	541,183	140.7

(1) Buy-out awards granted to selected Executives during the year. Further details of these are set out below.
(2) The weighted average fair value ('WAFV') price is calculated as the share price at the grant date less dividends foregone over the expected life of the award.

Buy-out awards

Selected executives were granted buyout awards during the year in respect of awards forfeited from their previous employer on commencement of employment with the Group. Buy-out awards are typically structured as restricted shares such that a proportion of the overall award is used to settle the tax and social security due on the award, with the net number of restricted shares subject to continued employment over a specified period. These restrictions fall away evenly over the service period and therefore the share-based payment expense has been spread over the service period.

No share-based awards were modified during the financial year.

During the period ended 1 February 2025, buy-out awards were issued to key management personnel with a gross value of £0.09 million (period ended 3 February 2024: gross value of £1.2m).

Notes to the Consolidated Financial Statements continued

33. Share-Based Payments continued

Cash Settled Awards

The number of cash-settled awards granted during the financial year were:

	52 weeks ending 1 February 2025	53 week period ended 3 February 2024
	Number of shares	Number of shares
Long-Term Incentive Plan (2023) - cash-settled	**641,925**	3,276,854

34. 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**
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 37 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**
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.

Notes to the Consolidated Financial Statements continued

35. 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)
Finance income (non-adjusting)	**(27)**	(39)
Depreciation and amortisation of non-current assets (non-adjusting)	**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 4 for further details of the restatement.

Notes to the Consolidated Financial Statements continued

36. Related Party Transactions and Balances

Transactions and balances with each category of related parties during the period are shown below. Outstanding balances are unsecured (unless otherwise stated) and will be settled in cash.

Transactions with Related Parties who are not Members of the Group
Pentland Group Limited
During the financial period, Pentland Group Limited (Pentland) and its subsidiaries owned 51.6% (2024: 51.6%) of the issued ordinary share capital of JD Sports Fashion Plc. The Group made purchases of inventory from Pentland in the period and the Group also sold inventory to Pentland. The Group also paid royalty costs to Pentland Group Limited for the use of brands.

During the period, the Group entered into the following transactions with Pentland:

	Income from related parties 2025 £m	Expenditure with related parties 2025 £m	Income from related parties 2024 £m	Expenditure with related parties 2024 £m
Purchase of inventory	–	(35)	–	(32)
Royalty costs	–	(3)	–	(5)
Dividends	–	(25)	–	(26)

At the end of the period, the following balances were outstanding with Pentland:

	Amounts owed by related parties 2025 £m	Amounts owed to related parties 2025 £m	Amounts owed by related parties 2024 £m	Amounts owed to related parties 2024 £m
Trade receivables/(payables)	–	–	–	(1)

Montirex Limited
To ensure transparency the Group voluntarily discloses transactions with Montirex whose Chairman is also a member of the JD Sports Board.

During the period, the Group entered into the following transactions with Montirex:

	Income from related parties 2025 £m	Expenditure with related parties 2025 £m	Income from related parties 2024 £m	Expenditure with related parties 2024 £m
Purchase of inventory	–	(45)	–	(12)

At the end of the period, the following balances were outstanding with Montirex:

	Amounts owed by related parties 2025 £m	Amounts owed to related parties 2025 £m	Amounts owed by related parties 2024 £m	Amounts owed to related parties 2024 £m
Trade receivables/(payables)	–	(1)	–	–

Associates and Joint Ventures
During the period, the Group entered into the following transactions with its associates and joint ventures:

	Income from related parties 2025 £m	Expenditure with related parties 2025 £m	Income from related parties 2024 £m	Expenditure with related parties 2024 £m
Purchase of inventory	–	(2)	–	(3)
Recharge of expenses	2	–	2	–

Notes to the Consolidated Financial Statements continued

36. Related Party Transactions and Balances continued

Associates and Joint Ventures continued

At the end of the period, the Group had the following balances outstanding with its associates and joint ventures:

	Amounts owed by related parties 2025 £m	**Amounts owed to related parties 2025 £m**	Amounts owed by related parties 2024 £m	Amounts owed to related parties 2024 £m
Trade receivables	**4**	**–**	4	–
Loans receivable in less than 1 year	**–**	**–**	–	–
Loans receivable in more than 1 year	**9**	**–**	–	–
Trade payables	**–**	**–**	–	–

Other receivables from associates and joint ventures relate to costs incurred by the Group on behalf of these entities, which have then been recharged. The loan receivable in more than one year of £9 million (2024: £Nil) is presented within other receivables within non-current assets.

In addition to the above transactions a number of non-controlling interest buyout transactions occurred in the course of the financial period, as disclosed in Note 11.

Transactions with Key Management Personnel

Members of the Board of Directors and Executive Committee of JD Sports Fashion Plc are deemed to be key management personnel. The Executive Committee are comprised Heads of Centres of Excellence and Heads of Business Units as outlined on pages 92 to 93.

	At 1 February 2025	At 3 February 2024
Number of key management personnel:		
Board of Directors (including Non-executive Directors)	**12**	13
Executive Committee (members not on the Board of Directors)	**11**	11

During the period, the Group entered into the following transactions with its key management personnel:

	Income from related parties 2025 £m	**Expenditure with related parties 2025 £m**	Income from related parties 2024 £m	Expenditure with related parties 2024 £m
Purchase of non-controlling interest	**–**	**(5)**	–	–
Property rental	**–**	**(10)**	–	(11)

Purchase of non-controlling interest relates to acquisition of 2.5% minority shareholding in JD Sports Gyms Limited held by a member of key management personnel. See Note 11 for more information.

At the end of the period, the Group had the following balances outstanding with its key management personnel:

	Amounts owed by related parties 2025 £m	**Amounts owed to related parties 2025 £m**	Amounts owed by related parties 2024 £m	Amounts owed to related parties 2024 £m
Trade receivables/(payables)	**1**	**(2)**	–	(1)
Lease liabilities relating to rented properties	**–**	**(62)**	–	(64)

Cost of key management personnel compensation for the financial year is as follows:

	2025 £m	2024 £m
Salaries and short-term benefits	**11**	13
Attributable to:		
Board of Directors (including Non-executive Directors)	**4**	5
Executive Committee (members not on the Board of Directors)	**7**	8
	11	13

The JD and Finish Line Foundations

The Group operates two foundations that receive their income from, but independently of, JD Sports Fashion Plc: The JD Foundation and The Finish Line Foundation. The JD Foundation is dependent on all income net of VAT arising from the sale of single-use carrier bags in JD stores in England, Scotland, Wales, Northern Ireland and other European countries, as well as micro-donations from customers at the store point of sale and colleague donations and fundraising. The Finish Line Foundation is dependant on income from micro-donations from JD Sports and Finish Line customers at the point of sale, colleague's donations and fundraising from JD Sports and Finish Line's vendors.

During the period, the Group entered into the following transactions with the JD and Finish Line Foundations:

	Income from related parties 2025 £m	**Expenditure with related parties 2025 £m**	Income from related parties 2024 £m	Expenditure with related parties 2024 £m
Donations	**–**	**(5)**	–	(3)

Notes to the Consolidated Financial Statements continued

37. 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. See Note 16 for further detail.

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)**

38. 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).

39. 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 £1.5 billion.

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.

Notes to the Consolidated Financial Statements continued

40. Subsidiary Undertakings (including Joint Ventures and Associates)
The following companies were the subsidiary undertakings of JD Sports Fashion Plc at 1 February 2025:

Name of subsidiary	Place of registration	Registered address	Nature of business	Ownership and voting rights interest
24Sevenbikes Ltd^	UK	Hollinsbrook Way, Pilsworth, Bury, Lancashire, BL9 8RR	Non-trading	100%
2Squared Agency Limited	UK	Hollinsbrook Way, Pilsworth, Bury, Lancashire, BL9 8RR	Non-trading	100%
A Number of Names Limited	UK	Hollinsbrook Way, Pilsworth, Bury, Lancashire, BL9 8RR	Trading	100%
ActivInstinct Holdings Limited	UK	Hollinsbrook Way, Pilsworth, Bury, Lancashire, BL9 8RR	Non-trading	100%
ActivInstinct Limited^	UK	Hollinsbrook Way, Pilsworth, Bury, Lancashire, BL9 8RR	Non-trading	100%
Allsports.co.uk Limited^	UK	Hollinsbrook Way, Pilsworth, Bury, Lancashire, BL9 8RR	Non-trading	100%
Alpine Bikes Limited^	UK	41 Commercial Street, Leith, Edinburgh, EH6 6JD	Non-trading	100%
Alpine Group (Scotland) Limited^	UK	41 Commercial Street, Leith, Edinburgh, EH6 6JD	Non-trading	100%
Aspecto Holdings Limited	UK	Hollinsbrook Way, Pilsworth, Bury, Lancashire, BL9 8RR	Non-trading	100%
Aspecto Trading Limited^	UK	Hollinsbrook Way, Pilsworth, Bury, Lancashire, BL9 8RR	Non-trading	100%
Athleisure Limited	UK	Hollinsbrook Way, Pilsworth, Bury, Lancashire, BL9 8RR	Non-trading	100%
Blacks Outdoor Retail Limited	UK	Hollinsbrook Way, Pilsworth, Bury, Lancashire, BL9 8RR	Trading	100%
Champion Retail Limited^	ROI	Fitzwilliam 28, Fitzwilliam Street Lower, Dublin 2, D02 KF20 Ireland	Non-trading	100%
Champion Sports (Holdings) Unlimited^	ROI	Fitzwilliam 28, Fitzwilliam Street Lower, Dublin 2, D02 KF20 Ireland	Non-trading	100%
Champion Sports Group Limited^	ROI	Fitzwilliam 28, Fitzwilliam Street Lower, Dublin 2, D02 KF20 Ireland	Non-trading	100%
Champion Sports Ireland Unlimited^	ROI	Fitzwilliam 28, Fitzwilliam Street Lower, Dublin 2, D02 KF20 Ireland	Trading	100%
Champion Sports Newco Limited^	ROI	Fitzwilliam 28, Fitzwilliam Street Lower, Dublin 2, D02 KF20 Ireland	Non-trading	100%
City Gear, LLC^	US	2700 Milan Court, Birmingham, Alabama 35211	Trading	80%
Cloggs Online Limited	UK	Hollinsbrook Way, Pilsworth, Bury, Lancashire, BL9 8RR	Non-trading	100%
Cosmos Sport Commercial, Hotel and Tourism Société Anonyme^	Greece	148, 62 Martiron Ave. 71303, Kaminia, Heraklion, Crete	Trading	80%
Cosmossport Trading (Cyprus) Limited^	Cyprus	11 Michail Paridi, 1095, Nicosia	Trading	80%
Courir Belgium Sàarl^	Belgium	57 Rue chaussée d'Ixelles, 1050 – Ixelles	Trading	100%
Courir France SAS^	France	91 avenue Ledru Rollin, 75011	Trading	100%
Courir Ibéria S.L.^	Spain	514 carretera Muntaner P3 PTA 2, Sarrià-Sant Gervasi, 08022	Trading	100%
Courir Italia SRL^	Italy	94 Viale Abruzzi 20131	Trading	100%
Courir Luxembourg SARL^	Luxembourg	25 Boulevard F.W Raiffeisen 2411	Trading	100%
Courir Netherlands B.V.^	Netherlands	Kazernestraat 88 D, 2514CW	Trading	100%
Courir Portugal Lda^	Portugal	Avenida da República, nº 50, 10º , 1069	Trading	100%
Deporvillage S.L.^	Spain	C/ Tines, Pol. Ind. el Grau, 32-34, Sant Fruitós de Bages 08272, Barcelona	Trading	98%
DTLR, Inc^	US	1300 Mercedes Drive, Hanover, MD 21076	Trading	80%
Duffer of St George Limited	UK	Hollinsbrook Way, Pilsworth, Bury, Lancashire, BL9 8RR	Non-trading	100%
Exclusive Footwear Limited	UK	Hollinsbrook Way, Pilsworth, Bury, Lancashire, BL9 8RR	Non-trading	90%

Notes to the Consolidated Financial Statements continued

40. Subsidiary Undertakings (including Joint Ventures and Associates) continued

Name of subsidiary	Place of registration	Registered address	Nature of business	Ownership and voting rights interest
Finish Line Transportation, Inc^	US	3308 N. Mitthoeffer Rd. Indianapolis, IN 46235	Trading	80%
First Sport Limited^	UK	Hollinsbrook Way, Pilsworth, Bury, Lancashire, BL9 8RR	Non-trading	100%
Footpatrol London 2002 Limited	UK	Hollinsbrook Way, Pilsworth, Bury, Lancashire, BL9 8RR	Non-trading	100%
Genesis Finco Limited	UK	Hollinsbrook Way, Pilsworth, Bury, Lancashire, BL9 8RR	Non-trading	100%
Genesis Holdings Inc^	US	3308 N. Mitthoeffer Rd. Indianapolis, IN 46235	Non-trading	80%
Genesis Topco Inc	US	3308 N. Mitthoeffer Rd. Indianapolis, IN 46235	Non-trading	80%
George Fisher Holdings Limited^	UK	41 Commercial Street, Leith, Edinburgh, EH6 6JD	Non-trading	100%
George Fisher Limited^	UK	Hollinsbrook Way, Pilsworth, Bury, Lancashire, BL9 8RR	Non-trading	100%
Gift Card Services, LLC^	US	Box #735, 8005 Creighton Parkway, Suite C, Mechanicsville, Virginia 23111	Trading	80%
Go Outdoors Retail Limited^	UK	Hollinsbrook Way, Pilsworth, Bury, Lancashire, BL9 8RR	Trading	100%
Graham Tiso Limited^	UK	41 Commercial Street, Leith, Edinburgh, EH6 6JD	Trading	100%
Groupe Courir SAS^	France	91 avenue Ledru Rollin, 75011	Trading	100%
Hibbett Digital Management, LLC^	US	2700 Milan Court, Birmingham, Alabama 35211	Trading	80%
Hibbett Holdings, LLC^	US	201 Corporate Woods Drive, Alabaster, Alabama 35007	Non-trading	80%
Hibbett Inc.^	US	2700 Milan Court, Birmingham, Alabama 35211	Non-trading	80%
Hibbett Retail, Inc.^	US	2700 Milan Court, Birmingham, Alabama 35211	Trading	80%
Hibbett Wholesale, Inc.^	US	201 Corporate Woods Drive, Alabaster, Alabama 35007	Trading	80%
Hip (Birmingham) Limited	UK	Hollinsbrook Way, Pilsworth, Bury, Lancashire, BL9 8RR	Non-trading	100%
Hip Store Limited	UK	Hollinsbrook Way, Pilsworth, Bury, Lancashire, BL9 8RR	Non-trading	100%
Iberian Sports Retail Group SLU^	Spain	Polígono Industrial de las Atalayas, Avenida Euro, N2, Alicante 03114	Non-trading	100%
Infinities Retail Group Holdings Limited	UK	Hollinsbrook Way, Pilsworth, Bury, Lancashire, BL9 8RR	Non-trading	100%
Infinities Retail Group Limited^	UK	Hollinsbrook Way, Pilsworth, Bury, Lancashire, BL9 8RR	Non-trading	100%
J D Sports Limited	UK	Hollinsbrook Way, Pilsworth, Bury, Lancashire, BL9 8RR	Non-trading	100%
Jandernama SL	Spain	Polígono Industrial de las Atalayas, Avenida Euro, N2, Alicante 03114	Non-trading	100%
JD Canary Islands Sports (SLU)^	Spain	Polígono Industrial de las Atalayas, Avenida Euro, N2, Alicante 03114	Trading	100%
JD Newco 2 Limited	UK	Hollinsbrook Way, Pilsworth, Bury, Lancashire, BL9 8RR	Non-trading	100%
JD Outdoors Holdings Limited	UK	Hollinsbrook Way, Pilsworth, Bury, Lancashire, BL9 8RR	Non-trading	100%
JD Size GmbH	Germany	Neusser Strasse 93, 50670 Cologne	Trading	100%
JD Spain Sports Fashion 2010 SL^	Spain	Polígono Industrial de las Atalayas, Avenida Euro, N2, Alicante 03114	Trading	100%
JD Sports (Thailand) Limited^	Thailand	Room No. TT04 No. 1106 Sukhumvit Road, Phrakhanong Sub-district, Klongtoey District, Bangkok	Trading	100%

Notes to the Consolidated Financial Statements continued

40. Subsidiary Undertakings (including Joint Ventures and Associates) continued

Name of subsidiary	Place of registration	Registered address	Nature of business	Ownership and voting rights interest
JD Sports Active Limited	UK	Hollinsbrook Way, Pilsworth, Bury, Lancashire, BL9 8RR	Trading	100%
JD Sports Fashion (France) SAS^	France	Wood Park - Parc d'Affaires du Château Rouge - 274 bis avenue de la Marne - 59700 Marcq-en-Baroeul	Non-trading	100%
JD Sports Fashion AT GmbH	Austria	Vienna CityTax Steuerberater GmbH, Untere Donaustraße 13-15, 1020 Wien	Trading	100%
JD Sports Fashion Aus Pty^	Australia	Level 12, 338 Pitt Street, Sydney, NSW, 2000	Trading	100%
JD Sports Fashion B.V.^	Netherlands	Oosteinderweg 247 B 1432 AT Aalsmeer	Trading	100%
JD Sports Fashion Belgium B.V.^	Belgium	Wiegstraat 21, 2000 Antwerpen	Trading	100%
JD Sports Fashion Denmark APS^	Denmark	C/O CSC (DENMARK) ApS Sundkrogsgade 21, 2100 København Ø	Trading	100%
JD Sports Fashion Europe Holdings Limited	UK	Hollinsbrook Way, Pilsworth, Bury, Lancashire, BL9 8RR	Non-trading	100%
JD Sports Fashion Finland OY^	Finland	C/o Intertrust Finland Oy, Lautatarhankatu 6, 00580, Helsinki	Trading	100%
JD Sports Fashion Germany B.V. & Co KG^	Germany	Neusser Straße 93, 50670 Cologne	Trading	100%
JD Sports Fashion Holdings Aus Pty	Australia	Level 12, 338 Pitt Street, Sydney, NSW, 2000	Non-trading	100%
JD Sports Fashion Holdings Limited	UK	Hollinsbrook Way, Pilsworth, Bury, Lancashire, BL9 8RR	Non-trading	100%
JD Sports Fashion India LLP	India	B-808 The Platina, Gachibawli, Hyderabad, Telangana, 500032	Non-trading	100%
JD Sports Fashion Israel (2021) Limited Partnership^J	Israel	HaMelacha 8 Holon, 5881504	Trading	60%
JD Sports Fashion Israel Ltd^J	Israel	HaMelacha 8 Holon, 5881504	Non-trading	60%
JD Sports Fashion NZ Pty Limited^	New Zealand	Anderson Lloyd, Level 12 Otago House, Cnr Moray Place & Princes Street, Dunedin, 9016	Trading	100%
JD Sports Fashion PTE LTD^	Singapore	190 Middle Road, 14-05, Fortune Centre, 188979	Trading	100%
JD Sports Fashion SDN BHD	Malaysia	Suite D23, 2nd Floor, Plaza Pekeliling, No. 2, Jalan Tun Razak, 50400 Kuala Lumpur	Trading	100%
JD Sports Fashion SRL	Italy	Via Alessandro Manzoni n. 38. Milano, 20121	Trading	100%
JD Sports Fashion Sweden AB^	Sweden	C/o CSC CN (Sweden) AB, PO Box 16285, 103 25 Stockholm	Trading	100%
JD Sports Gyms Acquisitions Limited^	UK	Hollinsbrook Way, Pilsworth, Bury, Lancashire, BL9 8RR	Non-trading	98%
JD Sports Gyms Limited	UK	Hollinsbrook Way, Pilsworth, Bury, Lancashire, BL9 8RR	Trading	98%
JDSF B.V.^	Germany	Neusser Straße 93, 50670 Cologne	Trading	100%
JDSF Holdings (Canada) Inc^	Canada	1200 Waterfront Centre, 200 Burrard Street, Vancouver BC V6C 3L6	Non-trading	64%
JDSF Retail (Canada) Inc^	Canada	1200 Waterfront Centre, 200 Burrard Street, Vancouver BC V6C 3L6	Trading	70%
John David Sports Fashion (Ireland) Limited^	ROI	Fitzwilliam 28, Fitzwilliam Street Lower, Dublin 2, D02 KF20 Ireland	Trading	100%
Land and Estates Commercial Properties (Coatbridge) Limited^	UK	Hollinsbrook Way, Pilsworth, Bury, Lancashire, BL9 8RR	Non-trading	100%
Land and Estates Commercial Properties Limited	UK	Hollinsbrook Way, Pilsworth, Bury, Lancashire, BL9 8RR	Non-trading	100%
Mainline Menswear Holdings Limited	UK	Hollinsbrook Way, Pilsworth, Bury, Lancashire, BL9 8RR	Non-trading	100%
Mainline Menswear Limited^	UK	Hollinsbrook Way, Pilsworth, Bury, Lancashire, BL9 8RR	Trading	100%

Notes to the Consolidated Financial Statements continued

40. Subsidiary Undertakings (including Joint Ventures and Associates) continued

Name of subsidiary	Place of registration	Registered address	Nature of business	Ownership and voting rights interest
Marathon Sports Limited^	UK	C/O Carson Mcdowell Llp Murray House, Murray Street, Belfast, Northern Ireland, BT1 6DN	Non-trading	100%
Marketing Investment Group BH društvo sa ograničenom odgovornošću^	Bosnia and Herzegovina	Sarajevo-Centar, Sarajevo, Kotromanića br. 48	Trading	100%
Marketing Investment Group Bulgaria EOOD^	Bulgaria	53A Nikola Y. Vaptsarov Blvd., 1407 Promishlena zona Hladilnika, Sofia	Trading	100%
Marketing Investment Group CR d.o.o. za trgovinu^	Croatia	Zagreb (City of Zagreb) Horvatova ulica 80A	Trading	100%
Marketing Investment Group Czech s.r.o.^	Czech Republic	Jakubská 647/2, Staré Město, 110 00, Praha	Trading	100%
Marketing Investment Group Estonia OÜ^	Estonia	Harju maakond, Tallinn, Kesklinna linnaosa, Narva mnt 5, 10117	Trading	100%
Marketing Investment Group Hungary Korlátolt Felelősségű Társaság^	Hungary	Horvát utca 14-24. 4. em. 2, Budapest, 1027	Trading	100%
Marketing Investment Group S.A.	Poland	ul. Prof. Michała Życzkowskiego 10, 31-864 Kraków	Trading	100%
Marketing Investment Group SL, prodaja športne opreme in oblačil, d.o.o.^	Slovenia	Tržaška cesta 515, 1351 Brezovica pri Ljubljani	Trading	100%
Marketing Investment Group Slovakia s. r. o.^	Slovakia	Michalská 7, 811 03 Bratislava	Trading	100%
Marketing Investment Group SR doo Belgrade^	Serbia	Belgrade, Bulevar Mihajla Pupina 165G, Belgrade-New Belgrade, New Belgrade, 11000 Belgrade	Trading	100%
Marshall Artist Holdings Limited[J]	UK	97 Alderley Road, Wilmslow, England, SK9 1PT	Non-trading	25%
MGS DUTY FREE Partnership^[J]	Israel	HaMelacha 8 Holon, 5881504	Trading	29%
MIG Marketing Investment Group Austria GmbH^	Austria	Mahlerstraße 13/1B, 1010 Vienna	Trading	100%
MIG Marketing Investment Group GmbH^	Germany	Dr. Hans-Lebach-Str. 2, 15537 Erkner	Trading	100%
MIG Marketing Investment Group RO SRL^	Romania	Calea Floreasca 169, Corp P1, Etaj 3, Camera 10, Bucuresti 077190	Trading	100%
MIG Wholesale spółka z o.o.^	Poland	ul. Prof. Michała Życzkowskiego 10, 31-864	Trading	100%
Millets Limited	UK	Hollinsbrook Way, Pilsworth, Bury, Lancashire, BL9 8RR	Non-trading	100%
myBox Spolka z.o.o^	Poland	Logistyczna 9, 26-060 Chęciny	Trading	100%
Naked Copenhagen ApS^	Denmark	14 Plads Bryggernes, 1799	Trading	70%
Naked Copenhagen France SAS^	France	91 avenue Ledru Rollin, 75011	Trading	70%
NiceKicks Holdings LLC^	US	755 Jarvis Drive, Morgan Hill, CA 95037	Trading	80%
NQ Retail Limited	UK	Hollinsbrook Way, Pilsworth, Bury, Lancashire, BL9 8RR	Non-trading	100%
Onepointfive Ventures Limited^	Canada	1200 Waterfront Centre, 200 Burrard Street, Vancouver BC V6C 3L6	Trading	64%
PCPONE Unlimited^	ROI	Fitzwilliam 28, Fitzwilliam Street Lower, Dublin 2, D02 KF20 Ireland	Non-trading	100%
Pear Sports LLC^	US	3308 N. Mitthoeffer Rd. Indianapolis, IN 46235	Trading	2%
Peter Werth Limited^	UK	41 Commercial Street, Leith, Edinburgh, EH6 6JD	Non-trading	100%
Pink Soda Limited	UK	Hollinsbrook Way, Pilsworth, Bury, Lancashire, BL9 8RR	Non-trading	100%
Premium Fashion Limited	UK	Hollinsbrook Way, Pilsworth, Bury, Lancashire, BL9 8RR	Non-trading	100%

Notes to the Consolidated Financial Statements continued

40. Subsidiary Undertakings (including Joint Ventures and Associates) continued

Name of subsidiary	Place of registration	Registered address	Nature of business	Ownership and voting rights interest
SDSR - Sports Division SR, S.A^	Portugal	Rua Joao Mendoça, nº 505, Matosinhos Freguesia, São Mamede de Infesta e Senhora da Hora, 4464 503 Matosinhos	Trading	100%
Shoe Palace Corporation^	US	755 Jarvis Drive, Morgan Hill, CA 95037	Trading	80%
SIA Marketing Investment Group Latvia^	Latvia	Rīga, Lienes iela 1 - 3, LV-1009	Trading	100%
Size? Limited	UK	Hollinsbrook Way, Pilsworth, Bury, Lancashire, BL9 8RR	Trading	100%
Sonneti Fashions Limited^	UK	Hollinsbrook Way, Pilsworth, Bury, Lancashire, BL9 8RR	Non-trading	100%
Spike's Holding LLC^	US	3308 N. Mitthoeffer Rd. Indianapolis, IN 46235	Non-trading	80%
Spodis SA^	France	Wood Park - Parc d'Affaires du Château Rouge - 274 bis avenue de la Marne - 59700 Marcq-en-Baroeul	Trading	100%
Sport Zone Canarias (SLU)^	Spain	Avenida el Paso, 10, 1º, Edificio Multiusos, Polígono Industrial Los Majuelos, La Laguna 38201, Santa Cruz de Tenerife	Trading	100%
Sportiberica - Sociedade de Arigos de Desporto S.A.^	Portugal	Avenida das Indústrias, n.º 63, Agualva do Cacém, Sintra	Trading	100%
Sports Unlimited Retail B.V.^*	Netherlands	Oosteinderweg 247 B 1432 AT Aalsmeer	Non-trading	100%
Sprinter Megacentros Del Deporte SL^	Spain	Polígono Industrial de las Atalayas, Avenida Euro, N2, Alicante 03114	Trading	100%
Sprinter Pirineos SLU^	Andorra	Avenida del Través, 31. Edifici Santa Catarina, Baixos. AD 400 La Massana	Trading	100%
The Alpine Group Limited^	UK	41 Commercial Street, Leith, Edinburgh, EH6 6JD	Non-trading	100%
The Finish Line Distribution, Inc^	US	3308 N. Mitthoeffer Rd. Indianapolis, IN 46235	Trading	80%
The Finish Line Puerto Rico, Inc^	US	3308 N. Mitthoeffer Rd. Indianapolis, IN 46235	Trading	80%
The Finish Line USA, Inc^	US	3308 N. Mitthoeffer Rd. Indianapolis, IN 46235	Trading	80%
The Finish Line, Inc^	US	3308 N. Mitthoeffer Rd. Indianapolis, IN 46235	Non-trading	80%
The John David Group Limited	UK	Hollinsbrook Way, Pilsworth, Bury, Lancashire, BL9 8RR	Non-trading	100%
Tiso Group Limited^	UK	41 Commercial Street, Leith, Edinburgh, EH6 6JD	Non-trading	100%
UAB Marketing Investment Group Lietuva^	Lithuania	Gvazdikų g. 170, LT-10247 Vilnius	Trading	100%
Ultimate Outdoors Limited^	UK	Hollinsbrook Way, Pilsworth, Bury, Lancashire, BL9 8RR	Non-trading	100%
Varsity Kit Limited^	UK	Hollinsbrook Way, Pilsworth, Bury, Lancashire, BL9 8RR	Non-trading	100%
Wellgosh Limited	UK	Hollinsbrook Way, Pilsworth, Bury, Lancashire, BL9 8RR	Non-trading	100%
Wheelbase Lakeland Limited	UK	Hollinsbrook Way, Pilsworth, Bury, Lancashire, BL9 8RR	Trading	78%
X4L Gyms Limited^	UK	Hollinsbrook Way, Pilsworth, Bury, Lancashire, BL9 8RR	Non-trading	98%
XLR8 Sports Limited^	UK	Hollinsbrook Way, Pilsworth, Bury, Lancashire, BL9 8RR	Trading	100%

^ Indirect holding of the Company.
* The following entity is owned by Iberian Sports Retail SLU, and on 6 December 2023, was declared in a state of bankruptcy and per the bankruptcy document, control over the trading assets was transferred to the curator
A Associated undertaking.
J Joint venture.

Company Balance Sheet

As at 1 February 2025

	Note	**As at 1 February 2025 £m**	As at 3 February 2024 £m
Non-current assets			
Intangible assets	C5	**156**	172
Property, plant and equipment	C6	**179**	238
Right-of-use assets	C7	**373**	416
Investment property	C8	**27**	28
Investments in subsidiaries	C9	**2,155**	1,404
Investments in associates and joint ventures	C9	**1**	44
Other investments	C9	**38**	–
Amounts owed by other group companies	C11	**16**	174
Total non-current assets		**2,945**	2,476
Current assets			
Inventories	C10	**254**	265
Trade and other receivables	C11	**244**	242
Income tax receivable		**18**	–
Cash and cash equivalents	C12	**167**	479
Assets held-for-sale	C6, C7	**57**	11
Total current assets		**740**	997
Total assets		**3,685**	3,473
Current liabilities			
Interest-bearing loans and borrowings	C12	**(36)**	–
Trade and other payables	C13	**(341)**	(400)
Put and call option derivatives	C14	**(55)**	–
Lease liabilities	C7	**(84)**	(79)
Provisions	C22	**(4)**	(3)
Income tax liabilities		**–**	(7)
Liabilities held-for-sale	C7	**(50)**	–
Total current liabilities		**(570)**	(489)
Non-current liabilities			
Trade and other payables	C14	**(160)**	(143)
Put and call option derivatives	C14	**(205)**	(179)
Lease liabilities	C7	**(331)**	(374)
Provisions	C22	**(10)**	(14)
Deferred tax liabilities	C15	**(16)**	(24)
Total non-current liabilities		**(722)**	(734)
Total liabilities		**(1,292)**	(1,223)
Net assets		**2,393**	2,250
Capital and reserves			
Ordinary share capital	C16	**3**	3
Share premium	C16	**468**	468
Share-based payment reserve	C16	**4**	3
Retained earnings		**1,918**	1,776
Total equity		**2,393**	2,250

The profit for the period in the accounts of the Company is £186 million (2024: £191 million).

The Company has taken advantage of the exemption in s408 of the Companies Act 2006 not to present its individual income statement and related notes. The accompanying notes form part of these financial statements.

These financial statements were approved by the Board of Directors on 20 May 2025 and were signed on its behalf by:

Régis Schultz
Director
Registered number: 1888425

Company Statement of Changes in Equity

For the 52 weeks ended 1 February 2025

	Ordinary share capital £m	Share premium £m	Share-based payments reserve £m	Retained earnings £m	**Total equity £m**
Balance at 28 January 2023	3	468	1	1,636	**2,108**
Profit for the period	–	–	–	191	**191**
Total comprehensive income for the period	–	–	–	191	**191**
Dividends to equity holders	–	–	–	(50)	**(50)**
Movement in shareholders equity	–	–	–	(1)	**(1)**
Share based payment charge	–	–	–	–	**2**
Balance at 3 February 2024	3	468	3	1,776	**2,250**
Profit for the period	–	–	–	186	**186**
Total comprehensive income for the period	–	–	–	186	**186**
Dividends to equity holders	–	–	–	(48)	**(48)**
Other movements	–	–	–	4	**4**
Share based payment charge	–	–	1	–	**1**
Balance at 1 February 2025	3	468	4	1,918	**2,393**

The accompanying notes form part of these financial statements.

Notes to the Company Financial Statements

C1. Basis of Preparation
The separate financial statements of the Company are presented as required by the Companies Act 2006. The Company meets the definition of a qualifying entity under FRS 100 Application of Financial Reporting Requirements issued by the FRC. Accordingly, these financial statements are prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework. The principal activity of the Company is the retail of multi-branded sports fashion clothing and footwear.

In these financial statements, the Company has applied the exemptions available under FRS 101 in respect of the following disclosures:

- presentation of a Cash Flow Statement and related notes;
- comparative period reconciliations for tangible fixed assets, intangible assets and investment properties;
- disclosures in respect of transactions with wholly owned subsidiaries;
- disclosures in respect of capital management;
- disclosures in respect of the compensation of Key Management Personnel;
- disclosures required by IAS 36 'Impairment of Assets' in respect of the impairment of goodwill and indefinite life intangible assets;
- disclosures required by IFRS 15 'Revenue from Contracts with Customers' in respect of disaggregation of revenue and performance obligations;
- disclosures required by IFRS 16 'Leases' in respect of the Company acting as a lessor;
- disclosures required by IFRS 3 'Business Combinations' in respect of business combinations undertaken by the Company;
- disclosures required by IAS 12 'Income Taxes' in respect of International Tax Reform – Pillar Two Model Rules; and
- disclosures required by IFRS 13 'Fair Value Measurement' and the disclosures required by IFRS 7 'Financial Instruments: Disclosures'.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

The financial statements have been prepared on a going concern basis under the historical cost convention except as disclosed in the accounting policies in Note 1 of the Group financial statements. The preparation of financial statements in conformity with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies.

Critical Accounting Judgements
Impairment of investments in subsidiary undertakings and intercompany debtor balances
The carrying value of the investment in subsidiary undertakings has been assessed for impairment in accordance with IAS 36. The value in use of each subsidiary is based on the discounted cash flows available to be paid to the Company from the relevant subsidiaries after the settlement of each entity's liabilities based on estimated cash flows determined using the Group's board approved forecasts. The recoverable amount is compared to the investment carrying value and any difference recorded as impairment.

An impairment charge of £16 million (2024: £38 million) on the Company's investment in subsidiary undertakings has been recognised. No impairment reversals have been recognised in the period (2024: £25 million).

The loss allowance on the intercompany receivables is measured under 'general approach' in accordance with IFRS 9. Intercompany loans with subsidiaries are repayable on demand and therefore there is no distinction between 12-months and lifetime expected credit losses from the measurement point of view. Management has estimated the loss allowance by comparing the value of the intercompany receivables with the available cash resources, net realisable value of other non-cash assets and trading cash flows expected to be generated in the future periods. If the value of intercompany receivables exceeds the value of any of the listed items, the difference between the intercompany receivables and the highest value of listed items is recognised as loss allowance. An IFRS 9 loan loss allowance on intercompany receivables of £103 million has been recognised on the Company's Balance Sheet as at 1 February 2025 (2024: £249 million). An impairment charge for expected credit losses against intercompany receivables of £11 million has been recognised through the Company's Income Statement for the period ended 1 February 2025 (2024: £45 million). See Note C11.

Key sources of estimation uncertainty
Genesis put and call option valuation
Certain of the put and call options described in Note 25b to the Group financial statements are held by the Company, including the material put and call options. The put and call options are required to be fair valued at each accounting period date in the Company Only financial statements.

The key significant option outstanding as at 1 February 2025 relates to the Group's US sub-group, Genesis. The fair value of Genesis put and call option at 1 February 2025 was £255 million (2024: £167 million).

The Company has used a third-party valuation expert to estimate the fair value of the derivatives 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 model requires various key inputs including those subject to management's estimate. See Note C14 for further information on key inputs used, model methodology and accounting policy.

The critical inputs in estimating the fair value of put and call option derivatives include market multiples used to derive the current value of the underlying equity, the EBITDA forecasts and growth assumptions for future periods. Due to the estimation uncertainty associated with these inputs, it's possible that the estimated fair value may change materially within the next 12 months. Further information about the sensitivities can be found in Note C14.

C2. Directors Remuneration
The remuneration of Executive Directors for both the Company and Group is disclosed in Note 5 of the Group financial statements.

C3. Auditor's Remuneration
Fees payable to the Company's Auditor for the audit of the Company and Group financial statements are disclosed in Note 3 of the Group financial statements.

Notes to the Company Financial Statements continued

C4. Staff Numbers and Costs

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

	52 weeks to 1 February 2025 Number	53 weeks to 3 February 2024 Number
Sales and distribution	**17,740**	18,968
Administration	**1,342**	1,314
Total average staff employed	**19,082**	20,282
Full-time equivalents	**12,522**	13,563

The aggregate payroll costs of these persons were as follows:

	52 weeks to 1 February 2025 £m	53 weeks to 3 February 2024 Number
Wages and salaries	**392**	382
Social security costs	**29**	27
Pension costs	**6**	6
Share-based payments	**1**	3
Other employed staff costs	**3**	2
	431	420

Please see Note 33 of the Group financial statements for details of share based payments.

C5. Intangible Assets

At 1 February 2025 and 3 February 2024, goodwill in the Company was comprised of the goodwill on acquisition of First Sport (£15 million), and goodwill on the hive-up of three 'Caplan' entities (£2 million).

Brand licences in the Company comprise all brand licences included in the Group table (Note 13), with the exclusion of the Lotto and Umbro brand licences, which are held within Marketing Investment Group S.A. Brand licences are stated at cost less accumulated amortisation and impairment losses.

Brand names held by the Company also form part of the Group table (Note 13) within the JD segment.

	Goodwill £m	Brand licences £m	Brand names £m	Software development £m	Total £m
Cost or valuation					
At 3 February 2024	22	166	7	52	**247**
Additions	–	7	–	6	**13**
Disposals	–	(3)	(4)	(1)	**(8)**
At 1 February 2025	22	170	3	57	**252**
Amortisation and impairment					
At 3 February 2024	5	27	7	36	**75**
Charge for the period	–	18	–	8	**26**
Released on disposal	–	–	(4)	(1)	**(5)**
At 1 February 2025	5	45	3	43	**96**
Net book value					
At 1 February 2025	17	125	–	14	**156**
At 3 February 2024	17	139	–	16	**172**

Notes to the Company Financial Statements continued

C6. Property, Plant and Equipment

Included within the depreciation charge for the period ended 1 February 2025 is accelerated depreciation of £3 million (2024: £1 million) following a review of the useful economic life of certain items of property, plant and equipment and assets capitalised.

	Land and building £m	Improvements to short leasehold properties £m	Computer equipment £m	Fixtures and fittings £m	**Total £m**
Cost					
At 3 February 2024	16	5	45	348	**414**
Additions	–	1	9	56	**66**
Disposals	–	(4)	(3)	(23)	**(30)**
Reclassification to assets held-for-sale[(1)]	–	–	–	(93)	**(93)**
At 1 February 2025	16	2	51	288	**357**
Depreciation and impairment					
At 3 February 2024	4	–	23	149	**176**
Charge for period	–	2	10	27	**39**
Impairment charge for the period	–	–	–	68	**68**
Disposals	–	(2)	(2)	(23)	**(27)**
Reclassification to assets held-for-sale[(1)]	–	–	–	(78)	**(78)**
At 1 February 2025	4	–	31	143	**178**
Net book value					
At 1 February 2025	12	2	20	145	**179**
At 3 February 2024	12	5	22	199	**238**

(1) During the period, the Company closed its Derby Distribution Centre, 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'. Accordingly, fixtures and fittings with a net book value of £15 million have been reclassified to held-for-sale (see Group Note 37 for further details).

C7. Leases

The Company has adopted the same accounting policies as the Group in respect of IFRS 16 'Leases'. Details of the accounting policies applied can be found in Note 1 and Note 16 to the Consolidated Financial Statements.

The Company leases assets including land and buildings, vehicles, machinery and IT equipment. Information about leases for which the Company is a lessee is presented below.

Right-of-Use Assets

	Property £m	Vehicles and Equipment £m	**Total £m**
Net book value			
At 3 February 2024	414	2	**416**
Additions	85	1	**86**
Reclassification to held-for-sale[(1)]	(42)	–	**(42)**
Disposals	(14)	–	**(14)**
Depreciation charge for the period	(62)	(2)	**(64)**
Depreciation released on disposals	(1)	–	**(1)**
Impairment charge for the period	(1)	–	**(1)**
Remeasurement adjustments	(7)	–	**(7)**
At 1 February 2025	372	1	**373**
Net book value			
At 1 February 2025	372	1	**373**
At 3 February 2024	414	2	**416**

(1) During the period, the Company closed its Derby Distribution Centre, 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'. Accordingly, right-of-use assets of £42 million have been reclassified to held-for-sale (see Group Note 37 for further details).

Notes to the Company Financial Statements continued

C7. Leases continued

Lease Liabilities

	As at 1 February 2025 £m	As at 3 February 2024 £m
Maturity analysis - contractual undiscounted cash flows		
Within one year	**96**	80
Later than one year and not later than two years	**78**	71
Later than two years and not later than three years	**66**	65
Later than three years and not later than four years	**56**	55
Later than four years and not later than five years	**45**	47
After five years	**144**	186
Total undiscounted lease liabilities	**485**	504
Lease liabilities included in the Statement of Financial Position		
Current	**84**	79
Non-current	**331**	374
Total	**415**	453

	As at 1 February 2025 £m	As at 3 February 2024 £m
Opening balance	**453**	481
Additions	**86**	40
Interest on lease liabilities	**14**	13
Repayments of lease liability	**(83)**	(82)
Reclassification to held-for-sale(i)	**(50)**	–
Liability adjustment(2)	**(5)**	1
Closing balance	**415**	453

(1) During the period, the Company closed its Derby Distribution Centre, 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'. Accordingly, lease liabilities of £50 million have been reclassified to held-for-sale (see Group Note 37 for further details).

(2) Liability adjustments include £(14) million (2024: £(14) million) disposals. There are also £9 million (2024: £15 million) remeasurement adjustments.

Amounts Recognised in Profit or Loss

	52 weeks to 1 February 2025 £m	53 weeks to 3 February 2024 £m
Depreciation expense of right-of-use assets	**64**	66
Interest on lease liabilities	**14**	12
Variable lease payments not included in the measurement of lease liabilities	**12**	12
Income from sub-leasing right-of-use assets	**(1)**	–
Expenses relating to short-term leases	**1**	–
Impairment of right-of-use assets	**1**	–

The variable lease payments not included in the measurement of the lease liabilities was £12 million (£12 million for the financial period ended 3 February 2024).

Notes to the Company Financial Statements continued

C8. Investment Property
Investment property, which is property held to earn rental income, is stated at cost less accumulated depreciation and impairment losses. Investment property is depreciated over a period of 50 years on a straight-line basis, with the exception of freehold land, which is not depreciated. The Company has elected not to revalue investment property annually but to disclose the fair value below. An external valuation to determine the fair value is prepared every three years by persons having the appropriate professional experience. When an external valuation is not prepared, an annual assessment is conducted using internal expertise.

	£m
Cost	
At 3 February 2024	30
At 1 February 2025	**30**
Depreciation and impairment	
At 3 February 2024	2
Charge for period	1
At 1 February 2025	**3**
Net book value	
At 1 February 2025	**27**
At 3 February 2024	28

The investment properties cost brought forward relates to three properties leased to Go Outdoors Retail Limited (£4 million, £3 million and £3 million), a property leased to Focus Brands Limited (£4 million), a property leased to Kukri Sports Limited (£1 million) and properties transferred in the hive-up of the Caplan entities, being properties leased to Go Outdoors Retail Limited (£13 million).

These properties remain investment properties from the Company's perspective as at 1 February 2025.

The directors have obtained external valuations prepared as at 27 March 2025 in relation to the three properties leased to Go Outdoors Retail Limited, and based on these valuations, the properties were deemed to have a fair value of £13 million as at 1 February 2025. Given that the difference between the carrying value and the fair value as at 1 February 2025 is not deemed to be material, no adjustments to the carrying value of these properties has been made.

These properties are on a three-year valuation cycle and, accordingly, an external valuation of the properties will next be obtained for the period ended 29 January 2028. Given the non-volatile nature of the property, a three-year external valuation cycle is deemed appropriate by the Directors. The Directors deem this to be a Level 3 input under the Group's fair value hierarchy (see Note 24 of the Group financial statements).

The directors obtained an external valuation as at 30 October 2023 in relation to the property leased to Focus Brands Limited, which was valued at £7 million. However, subsequent to the valuation date, the Company has received credible offers for the property significantly below the externally assessed value. These offers provide more current and market-specific evidence of the asset's recoverable amount. As such, the directors consider that the fair value of the property at 1 February 2025 is more appropriately represented by its current net book value of £4 million.

The directors last obtained an external valuation of the properties transferred in the hive-up of Caplan entities as at 10 August 2022, and based on this valuation, the properties were deemed to have a fair value of £14 million. Given that the difference between the carrying value and the fair value as at 1 February 2025 is not deemed to be material, no adjustments to the carrying value of these properties has been made,

The directors have not obtained a fair value for the property leased to Kukri Sports Limited as the carrying value of the property is immaterial.

The rental income from investment properties, recognised in the Company accounts, is £2 million (2024: £2 million). The directors do not consider the investment properties to be impaired as the future rental income supports the carrying value.

Notes to the Company Financial Statements continued

C9. Investments in Subsidiaries, Associates and Joint Ventures

In the Company's accounts, all investments in subsidiary undertakings, associates and joint ventures are stated at cost less provisions for impairment. A list of subsidiaries is disclosed in Note 40 of the Group financial statements.

Investments in Subsidiaries

	£m
Cost	
At 3 February 2024	1,513
Additions (see note i below)	1,876
Disposals (see note ii below)	(55)
Transferred to Group companies (see note iii below)	(1,179)
Reclassification(1)	18
Reclassified from assets held-for-sale	11
At 1 February 2025	**2,184**
Impairment	
At 3 February 2024	109
Impairment charge for the period (see note iv)	16
Disposals (see note ii below)	(55)
Transferred to Group companies (see iii below)	(59)
Reclassification(1)	18
At 1 February 2025	**29**
Net book value	
At 1 February 2025	**2,155**
At 3 February 2024	1,404

(1) Reclassifications relate to the correction of a previously misclassified balance which had been incorrectly recorded against both the cost line but should be classed within the impairment line. There is no change in the carrying value of the investment.

i) The additions to investments consist of the following (unless otherwise stated, the investment is 100% owned):

	£m
JD Sports Fashion Europe Holdings Limited	1,534
JD Sports Fashion (France) SAS	197
JD Outdoors Holdings Limited	99
Marketing Investment Group S.A.	30
Mainline Menswear Holdings Limited (increase in ownership from 80% to 100%)	9
JD Sports Gyms Limited (increase in ownership from 95% to 97.5%)	5
JD Sports Fashion Sweden AB	2
Total additions	**1,876**

ii) The disposals of investments consist of the following (unless otherwise stated, the investment was 100% owned):

	Cost disposed £m	Impairment utilised £m	**Net disposal £m**
JD Sports Fashion Korea Inc	36	(36)	**–**
Go Outdoors Topco Limited	18	(18)	**–**
Other	1	(1)	**–**
Total disposals	**55**	**(55)**	**–**

The Company tests the investment balances for impairment annually. The recoverable amounts of the investments have been determined based on net asset position and value-in-use calculations, which require the use of estimates. Management has prepared discounted cash flows in line with the Group approach to impairment testing.

Notes to the Company Financial Statements continued

C9. Investments in Subsidiaries, Associates and Joint Ventures continued

iii) The investments in subsidiaries transferred to Group companies consists of the following (unless otherwise stated, the investment was 100% owned):

	Cost disposed £m	Impairment utilised £m	**Net disposal £m**
Sprinter Megacentros Del Deporte SL	463	–	**463**
JD Sports Fashion (France) SAS	204	–	**204**
Marketing Investment Group S.A.	164	–	**164**
JD Sports Fashion B.V.	111	(8)	**103**
Go Outdoors Retail Limited	95	–	**95**
Cosmos Sport Commercial, Hotel and Tourism Société Anonym (80%)	65	–	**65**
XLR8 Sports Limited	37	(37)	**-**
JD Sports Fashion Sweden AB	14	(14)	**-**
Iberian Sports Retail Group SLU	8	–	**8**
JD Sports Fashion Germany B.V. & KG	7	–	**7**
JD Sports Fashion Finland OY	5	–	**5**
Tiso Group Limited	4	–	**4**
Other	2	–	**2**
Total transferred to Group companies	**1,179**	**(59)**	**1,120**

iv) The impairment charge for the period consists of the following (unless otherwise stated, the investment is 100% owned):

	£m
XLR8 Sports Limited	10
Champion Sports Holdings Limited	3
JD Sports Fashion Sweden AB	2
Duffer of St George Limited	1
Total impairment charge	**16**

Held-for-Sale

The investment in Mainline Menswear Holdings Limited is no longer recorded as assets held-for-sale. The marketing process ceased in late June 2024, as none of the interested parties were considered suitable. The non-controlling interest of 20% was purchased by the Company in October 2024 for total consideration of £17 million. At 1 February 2025, Mainline Menswear Holdings Limited is wholly owned by the Company.

Investments in Associates and Joint Ventures

	Associates £m	Joint Ventures £m	**Total £m**
Cost and net book value			
At 3 February 2024	33	11	**44**
Disposals	(33)	(12)	**(45)**
Share of profit	5	2	**7**
Dividends	(5)	–	**(5)**
At 1 February 2025	–	1	**1**

Investments in associates and joint ventures in the Company comprise all those included in the Group table (Note 18). Disposals of associates relates to Applied Nutrition Limited, which is now classed as an Other Investment with a valuation of £38 million as at 3 February 2025, following the Company's disposal of a 21.58% shareholding in the period - see Group Note 19 for further details.

C10. Inventories

	As at 1 February 2025 £m	As at 3 February 2024 £m
Finished goods and goods for resale	**254**	265

The Company has £16 million (2024: £23 million) of inventory provisions at the end of the period. The cost of inventories includes a net charge of £8 million (2024: £10 million) in relation to net provisions recognised against inventories. £15 million of the inventory provision was utilised during the period against the write down of inventory (2024: £11 million). There were no reversals of inventory write downs in either the current or prior period.

Included within inventories is £1 million of deferred supplier rebates (2024: £2 million).

Notes to the Company Financial Statements continued

C11. Trade and Other Receivables

	As at 1 February 2025 £m	As at 3 February 2024 £m
Current assets		
Trade receivables	**3**	17
Other receivables	**5**	6
Forward contract asset	**12**	2
Right of return asset	**1**	5
Prepayments	**46**	39
Amounts owed by other Group companies	**177**	173
	244	242

	As at 1 February 2025 £m	As at 3 February 2024 £m
Non-current assets		
Amounts owed by other Group companies	**16**	174

The Directors have assessed and concluded at the reporting date that a portion of receivables due from other Group companies is expected to be realised in more than 12 months from the date of the Statement of Financial Position. As such, the assets have been categorised accordingly.

Amounts Owed by Other Group Companies
Management has estimated the loss allowance required on its intergroup receivables under IFRS 9's expected credit loss model (see Note C1 for further details). The amounts owed by other Group companies are presented net of a provision for expected credit losses of £103 million (2024: £249 million) against the balances outstanding at the end of the period.

A summary of the Company's exposure to credit risk for receivables due from other Group companies is as follows:

As at 1 February 2025	**Weighted average loss rate £m**	**Gross carrying amount £m**	**Loss allowance £m**	**Net £m**
Repayable on demand (current)	**17%**	**213**	**(36)**	**177**
Repayable on demand (non-current)	**81%**	**83**	**(67)**	**16**
Total	**35%**	**296**	**(103)**	**193**

As at 3 February 2024	Weighted average loss rate £m	Gross carrying amount £m	Loss allowance £m	Net £m
Repayable on demand (current)	5%	183	(10)	173
Repayable on demand (non-current)	58%	413	(239)	174
Total	42%	596	(249)	347

Movement on the provision for expected credit losses is shown below:

	Total £m
Provision at 3 February 2024	249
Net charge for the period	11
Utilised on write off of receivables	(8)
Utilised on transfer of receivables to other Group Companies	(149)
Provision at 1 February 2025	**103**

Notes to the Company Financial Statements continued

C12. Financial Instruments

Cash and Cash Equivalents

Cash at bank and in hand comprise comprise cash balances and call deposits with an original maturity of three months or less, readily convertible to known amounts of cash, and subject to an insignificant risk of changes in value

Cash equivalents represent lodgements in transit held with a third-party payment processor. Customer payments are collected on behalf of the Company and pending settlement into the Company's primary bank account.

	As at 1 February 2025 £m	As at 3 February 2024 £m
Cash at bank and in hand	**47**	110
Cash equivalents	**17**	10
Other short-term deposits < 3 months	**103**	359
	167	479

The currency profile of cash and cash equivalents is shown below:

	As at 1 February 2025 £m	As at 3 February 2024 £m
Sterling	**138**	146
Euros	**24**	142
US Dollars	**3**	145
Australian Dollars	**–**	22
Other	**2**	24
	167	479

Interest-bearing Loans and Borrowings

As at 1 February 2025, the Company headed the Group's syndicated committed £700 million bank facility expiring on 6 November 2026. The Company is subject to covenants on consolidated total net assets, net debt leverage and a fixed charge cover. Under this facility, a maximum of 15 drawdowns can be outstanding at any time, with drawdowns made for a period of one, two, three or six months, with interest currently payable at a rate of SONIA (Sterling Overnight Index Average) plus a margin of 0.9% (2024: SONIA plus a margin of 0.9%). The arrangement and underwriting fee payable on the facility is 1.0% and the commitment fee on the undrawn element of the facility is 35% of the applicable margin rate.

As at 1 February 2025, this facility encompassed cross guarantees between the Company, Blacks Outdoor Retail Limited, JD Sports Fashion SRL (Italy), Go Outdoors Retail Limited, Genesis Holdings, Inc., Genesis Topco, Inc. Shoe Palace Corporation, The Finish Line Inc, The Finish Line USA Inc, DTLR Inc, Genesis Finco Limited, Spodis SA, JD Sports Fashion Aus Pty, JD Sports Fashion (Ireland) Limited and Hibbett Inc.

At 1 February 2025, £36 million was drawn down on this facility (2024: £Nil).

Notes to the Company Financial Statements continued

C13. Current Trade and Other Payables

	As at 1 February 2025 £m	As at 3 February 2024 £m
Trade payables	**160**	189
Other payables and accrued expenses	**138**	146
Forward contract liability	**1**	2
Refund liabilities	**10**	13
Other tax and social security costs	**26**	28
Amounts payable to other Group companies	**6**	22
	341	400

C14. Non-Current Trade and Other Payables

	As at 1 February 2025 £m	As at 3 February 2024 £m
Other payables and accrued expenses	**131**	143
Amounts due to other Group companies	**29**	–
	160	143

	As at 1 February 2025 £m	As at 3 February 2024 £m
Put and call option derivatives - current	**55**	–
Put and call option derivatives - non-current	**205**	179
	260	179

Other payables and accrued expenses include the following:

Reebok brand licence
In December 2021, the Company signed a contract with ABG Reebok LLC to license the Reebok brand in various territories. The agreement became effective during the 52 week period ended 28 January 2023. As a result, the Company has recognised an intangible asset for the use of the brand on the Balance Sheet and a liability for the discounted contractual minimum royalty payments under the initial 10 year term of £65 million.

Hoodrich brand licence
In December 2023, the Company signed a contract with Hoodrich Limited to license the Hoodrich brand in various territories. The agreement became effective during the 53 week period ended 3 February 2024. As a result, the Company has recognised an intangible asset for the use of the brand on the Balance Sheet and a liability for the discounted contractual minimum royalty payments under the initial 7 year term of £50 million.

Football Licenses
The Company has exclusive distribution agreements with certain European football clubs and associations. The Company has recognised an intangible asset for the use of the brands on the Balance Sheet and a liability for the discounted contractual minimum royalty payments under the agreements. The contract terms range between 3 and 10 years and the asset will be amortised over the relevant contract life. At 1 February 2025 the asset and liability amounted to £7 million, £1 million of the liability is current and £6 million is non-current.

Notes to the Company Financial Statements continued

C14. Non-Current Trade and Other Payables continued

Put and Call Option Derivatives

Certain of the put and call options described in Note 25b to the Group financial statements are held by the Company, including the material put and call options. The put and call options are required to be fair valued at each accounting period date in the Company only accounts. The Company has used a third-party valuation expert to estimate the fair value of the derivatives 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 with its drift estimated for the Fair Value of the Put and Call options risk adjusted to put them on a risk-neutral basis from the forecast EBITDAs. The option formula and multiple are usually stated in the put and call option agreement; however, in the absence of a specified formula or multiple, we would estimate this based on current evidence in the Mergers and Acquisitions market and our past experience of multiples paid for similar businesses. The valuation technique used to measure the fair value is categorised within Level 3 of the fair value hierarchy. The Group's accounting policy for the put and call options is further described in Note 25b, however, the accounting treatment of the options differs between the Group and Parent Company accounts for the following reasons:

- The put and call options are contracts resulting in the Parent Company having the right or obligation to purchase remaining shares from non-controlling interests in partly owned subsidiaries and are therefore accounted for as a derivative at fair value. The Group does not recognise the fair value of the put and call instrument because, upon exercise, the Group would effectively be purchasing its own equity in its subsidiary entity from the non-controlling interests, so instead it reflects the present value of the obligation.
- Put and call options are entered into simultaneously, in contemplation of each other, and are documented within a single agreement with the same counterparty in respect of each minority shareholding. The terms of the put and call are identical in respect of the exercise price and the period on which EBITDA, cash and net debt are derived, and therefore the underlying asset and risk associated to the put and call are considered to be the same. The only distinguishable difference between the put and the call, other than the party choosing to initiate the option, is the timing of the option window. There is usually a short period of time between the put option window commencing and the call option window commencing. For example, in the case of the Genesis put and call option agreement, the put option window is a 30-day period commencing 30 calendar days after the end of the relevant financial period and the call option window is a 30-day period commencing 30 calendar days after the end of the put period. This distinction is made principally for administrative purposes, to prevent any confusion that might otherwise arise from the simultaneous exercise of both a put and a call. Accordingly, the Group has assessed that the put and call options are to be accounted for as a single unit of account.

To estimate the fair value of put and call options for the purposes of the Company only financial statements, 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 discount rate, which should be equivalent to the rates a market participant would use and commensurate with the cash flows and is used to risk adjust the forecast EBITDA to a risk-neutral basis.
- The market approach used to derive the current value of the underlying equity, which is based on an estimated EBITDA multiple range for Genesis.
- The Equity drift, which is estimated from a market-observable risk-free rate and its volatility, which is estimated from comparable companies.
- The EBITDA, which is projected using an Arithmetic Brownian Motion using EBITDA drift. The drift for each time period is estimated from forecast EBITDA and its standard deviation is estimated from historical EBITDA data.
- The correlation between the EBITDA and the equity value processes, which is estimated by using historical data for the company being acquired.
- Where relevant, the maximum purchase price (option pricing cap) as defined in the shareholder agreement.
- The risk-free discount rates, reflecting the current market assessment of the time value of money, used to discount the payoff/value of the put and call options.

The short-term EBITDA growth assumptions are 8.2-16.7% as at 1 February 2025 (2024: 6.4%-12.5%). The range of EBITDA multiples used for the estimation of the Genesis put and call option at 1 February 2025 is 5.0 (2024: 5.4) as at 1 February 2025. The discount rate used in the FY25 valuation to risk adjust the forecast EBITDA is 10.2% (2024: 9.8%).

Genesis Options

The fair value of the Genesis option is £255 million (2024: £167 million).

Sensitivity analysis was performed over the key variable inputs to the valuation of the Genesis put and the call options. The key variable inputs were determined to be forecast EBITDA and the market multiples used in the valuation. 10% was determined to be a reasonably possible decrease to the EBITDA included in the approved cash flow forecasts and 0.5x was determined to be a reasonably possible change for the market multiple. The results were as follows:

- A reduction of 10% to the forecast EBITDA would result in a reduction to the put and call option derivative of £91 million (2024: £56 million).
- An increase of 10% to the forecast EBITDA would result in an increase to the put and call option derivative of £90 million (2024: £56 million).
- A 0.5 increase to the market multiple would result in a reduction to the put and call option derivative of £58.0 million (2024: £44 million).
- A 0.5 decrease to the market multiple would result in an increase to the put and call option derivative of £58.0 million (2024: £44 million).

The Directors are satisfied that the forecast cash flows utilised in the measurement model are appropriate as they are based on Board approved forecasts for stores as at the balance sheet date, growth assumptions derived from discussions with key management and Board approved capital expenditure budgets for store openings in the five-year plan.

Other Options

In addition to the Genesis options, the next largest value options are Cosmos. Due to the value of these options, management has used both internal and external valuations from a third party valuation specialist to value them. The valuation technique is outlined per the wording above.

Notes to the Company Financial Statements continued

C15. Deferred Tax Assets and Liabilities

Recognised Deferred Tax Assets and Liabilities

Deferred tax assets and liabilities are attributable to the following:

	Assets 2025 £m	Assets 2024 £m	**Liabilities 2025 £m**	Liabilities 2024 £m	**Net 2025 £m**	Net 2024 £m
Property, plant and equipment	**–**	–	**(15)**	(25)	**(15)**	(25)
Property	**–**	–	**(2)**	(2)	**(2)**	(2)
Employee benefits	**1**	3	**–**	–	**1**	3
Tax assets/(liabilities)	**1**	3	**(17)**	(27)	**(16)**	(24)

Movement in Deferred Tax during the Period

	Property, plant and equipment £m	Property £m	Employee benefits £m	**Total £m**
Balance at 28 January 2023	(16)	–	4	**(12)**
Recognised in income	(9)	–	(1)	**(10)**
Movement on divestment	–	(2)	–	**(2)**
Balance at 3 February 2024	(25)	(2)	3	**(24)**
Recognised in income	10	–	(2)	**8**
Balance at 1 February 2025	(15)	(2)	1	**(16)**

C16. Capital

Issued ordinary share capital, share premium and the share-based payment reserve for both the Company and Group are disclosed in Note 28 of the Group financial statements. The retained earnings of the Company as at 1 February 2025 are all deemed to be distributable.

C17. Dividends

After the reporting date, the dividend proposed by both the Company and Group Directors is disclosed in Note 30 of the Group financial statements.

C18. Commitments

As at 1 February 2025, the Company had entered into contracts to purchase property, plant and equipment as follows:

	As at 1 February 2025 £m	As at 3 February 2024 £m
Contracted	**5**	1

C19. Related Party Transactions and Balances

Transactions and balances with each category of related parties during the period are shown below. Outstanding balances are unsecured (unless otherwise stated) and will be settled in cash.

Transactions with Related Parties Who Are Not Members of the Group

Pentland Group Limited

During the period, the Company entered into the following transactions with Pentland Group Limited:

	Income from related parties 2025 £m	**Expenditure with related parties 2025 £m**	Income from related parties 2024 £m	Expenditure with related parties 2024 £m
Purchase of inventory	**–**	**(18)**	–	(14)
Dividends	**–**	**(25)**	–	(26)

At the end of the period, the Company had the following balances outstanding with Pentland Group Limited:

	Amounts owed by related parties 2025 £m	**Amounts owed to related parties 2025 £m**	Amounts owed by related parties 2024 £m	Amounts owed to related parties 2024 £m
Trade receivables/(payables)	**–**	**–**	–	(1)

Notes to the Company Financial Statements continued

C19. Related Party Transactions and Balances continued
Associates and Joint Ventures
During the period, the Company entered into the following transactions with its associates and joint ventures:

	Income from related parties 2025 £m	Expenditure with related parties 2025 £m	Income from related parties 2024 £m	Expenditure with related parties 2024 £m
Purchase of inventory	–	–	–	(2)
Recharge of expenses	2	–	2	–

At the end of the period, the Company had the following balances outstanding with its associates and joint ventures:

	Amounts owed by related parties 2025 £m	Amounts owed to related parties 2025 £m	Amounts owed by related parties 2024 £m	Amounts owed to related parties 2024 £m
Trade receivables	–	–	3	–

Trade receivables from associates and joint ventures relate to costs incurred by the Company on behalf of these entities, which have then been recharged.

Montirex Limited
To ensure transparency, the Company voluntarily discloses transactions with Montirex, whose Chairman is also a member of the JD Sports Fashion Plc Board.

During the period, the Group entered into the following transactions with Montirex:

	Income from related parties 2025 £m	Expenditure with related parties 2025 £m	Income from related parties 2024 £m	Expenditure with related parties 2024 £m
Purchase of inventory	–	(45)	–	(12)

At the end of the period, the following balances were outstanding with Montirex Limited:

	Amounts owed by related parties 2025 £m	Amounts owed to related parties 2025 £m	Amounts owed by related parties 2024 £m	Amounts owed to related parties 2024 £m
Trade receivables/(payables)	–	(1)	–	–

Transactions with Related Parties Who Are Members of the Group
Subsidiaries
In the disclosure that follows, the Company has applied the exemptions available under FRS 101 in respect of transactions with wholly owned subsidiaries.

Loans represent historic intercompany balances and initial investments in subsidiary undertakings. For subsidiaries with a non-controlling interest, these long-term loans attract interest at the UK base rate plus an applicable margin.

Other intercompany balances and trade receivables/payables relate to:

- the sale and purchase of stock between the Company and its subsidiaries on standard commercial terms;
- the charge for the use of the JD intellectual property; and
- charges for administrative overhead and distribution costs.

Other intercompany balances are settled a month in arrears. These balances do not accrue interest. In certain circumstances where the subsidiaries have not repaid these balances, they have been reclassified to long-term loans, and therefore accrue interest as applicable.

During the period, the Company entered into the following transactions with subsidiaries not wholly owned:

	Income from related parties 2025 £m	Expenditure with related parties 2025 £m	Income from related parties 2024 £m	Expenditure with related parties 2024 £m
Sale of inventory	2	–	5	–
Interest receivable	2	–	7	–
Dividend income received	–	–	10	–
IP licence fee	31	–	30	–
Management charge receivable	1	–	2	–

Notes to the Company Financial Statements continued

C19. Related Party Transactions and Balances continued
Transactions with Related Parties Who Are Members of the Group continued
Subsidiaries continued
At the end of the period, the Company had the following balances outstanding with subsidiaries not wholly owned:

	Amounts owed by related parties 2025 £m	**Amounts owed to related parties 2025 £m**	Amounts owed by related parties 2024 £m	Amounts owed to related parties 2024 £m
Non-trading loan receivable	**2**	**–**	49	–
Non-trading loan receivable (interest bearing)	**13**	**–**	102	–
Trade receivables	**44**	**–**	17	–

The JD Foundation
The JD Foundation receives its income from, but is independent of, JD Sports Fashion Plc. The JD Foundation is dependent on all income net of VAT arising from the sale of single-use carrier bags in JD stores in England, Scotland, Wales, Northern Ireland and other European countries, as well as micro-donations from customers at the store point of sale and colleague donations and fundraising.

During the period, the Group entered into the following transactions with The JD Foundation:

	Income from related parties 2025 £m	**Expenditure with related parties 2025 £m**	Income from related parties 2024 £m	Expenditure with related parties 2024 £m
Donations	**–**	**(2)**	–	(2)

C20. Contingent Liabilities and Financial Guarantees
Accounting Policies
Contingent liabilities are potential future cash outflows, where the likelihood of payment is considered more than remote but is not considered 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.

Financial Guarantees
The company has issued guarantees to third parties in case subsidiaries fail to pay their current liabilities and obligations relating to business operations. The liability relating to financial guarantees is initially recognised at fair value and subsequently measured at the higher of the contract's estimated expected credit loss, measured using a general approach and the amount initially recognised less, where appropriate, accumulated amortisation.

The Company has issued the following guarantees:

- Guarantee on the rental commitments for certain European stores of £2 million (2024: £13 million).
- Guarantee on the working capital facilities in JD Sports Fashion Israel (2021) Partnership of ILS 26 million (£6 million) (2024: ILS 26 million (£6 million)).
- Guarantee on rental commitments for JD Sports Fashion B.V. in relation to warehouse rental costs. The total value of the remaining commitments at 1 February 2025 was £34 million (2024: £36 million).
- Guarantee on rental commitments for Go Outdoors Retail Limited in relation to warehouse rental costs. The total value of the remaining commitments at 1 February 2025 was £25 million (2024: £25 million).
- Guarantee on overdraft facility with Lloyds for Tiso Group Limited of £6 million (2024: £6 million).

The fair value of these financial guarantee contracts at initial recognition was immaterial. Management continues to assess the exposure under these guarantees based on the credit risk of the entity that has the borrowing that was guaranteed, and are satisfied that any potential liability arising remains immaterial as at the reporting date.

C21. Ultimate Parent Company and Ultimate Controlling Party
The immediate parent undertaking is Pentland Group Limited, a company registered in England and Wales. R S Rubin and his close family are considered the ultimate controlling party by virtue of their control of Pentland Group Holdings Limited (a company registered in Jersey) and Pentland Industries International Designated Activity Company (a company registered in Ireland).

Consolidated Financial Statements will be prepared by Pentland Group Holdings Limited, which is the parent undertaking of the smallest and largest group of undertakings to consolidate these financial statements for the 52 week period ended 1 February 2025. The consolidated financial statements of Pentland Group Holdings Limited can be obtained from the company's registered office at 26 New Street, St Helier, Jersey, JE2 3RA.

The Consolidated Financial Statements of JD Sports Fashion Plc are available to the public and may be obtained from The Company Secretary, JD Sports Fashion Plc, Hollinsbrook Way, Pilsworth, Bury, BL9 8RR or online at www.jdplc.com.

Notes to the Company Financial Statements continued

C22. Provisions
A provision is recognised in the Consolidated Statement of Financial Position when the Company has a present legal or constructive obligation as a result of a past event, it is more likely than not that an outflow of economic benefits will be required to settle the obligation and the obligation can be estimated reliably.

Property Provision
Within the property provision, management has provided for expected dilapidations on stores and warehouses. This provision covers expected dilapidation costs for any lease considered onerous, any related to stores recently closed, stores which are planned to close or are at risk of closure and those under contract but not currently in use. Management maintains all properties to a high standard and carries out repairs whenever necessary during the Company's tenure.

Therefore, if there is no risk of closure any provision would be minimal. The unwind of the provision will be dependent on management's decision about when a premises may be vacated; this would typically be over a five to seven year period.

Other Provision
The Other Provision is made up of various other trade provisions and legal costs. The provisions are estimated based on accumulated experience, supplier communication and management approved forecasts. These provisions would be expected to unwind within one year.

	Property provision £m	Other provision £m	Total £m
Balance at 3 February 2024	14	3	17
Provisions released during the period	(5)	(1)	(6)
Provisions recognised during the period	1	8	9
Provisions utilised during the period	–	(6)	(6)
Balance at 1 February 2025	**10**	**4**	**14**

Provisions have been analysed between current and non-current as follows:

	As at 1 February 2025 £m	As at 3 February 2024 £m
Current	**4**	3
Non-current	**10**	14
	14	17

C23. Post Balance Sheet Events
Please refer to Note 39 in the Group financial statements for disclosure of the post Balance Sheet events impacting JD Sports Fashion Plc.

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

The calculation of basic earnings per share is detailed in Note 10 to the financial statements. 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 10	**9.50p**	10.45p
Adjusting items	**3.76p**	2.92p
Tax relating to adjusting items	**(0.87)p**	(0.56)p
Adjusted basic earnings per ordinary share	**12.39p**	12.81p

(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 4 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 4 to the financial statements.

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.

Alternative Performance Measures continued

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	Restated [(1)] 2024
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) 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 4 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.

Alternative Performance Measures continued

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	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 34 of the Consolidated Financial Statements.

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 34 to the consolidated financial statements.

	2025 £m	2024 £m
Net debt (Note 34)	**(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.

	52 weeks 2025 £m	52 weeks 2024 £m	53rd week £m	53 weeks 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)

Alternative Performance Measures continued

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	IFRS 16 lease interest	Adjusting items	Operating Profit for the period
	52 weeks 2025 £m	52 weeks 2025 £m	52 weeks 2025 £m	52 weeks 2025 £m
JD Group Total				
JD				
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
Complementary Concepts				
Community	186	15	(65)	136
Complementary	7	4	(22)	(11)
Complementary Concepts Total	193	19	(87)	125
Sporting Goods & Outdoor				
Outdoor	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						
JD						
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

Alternative Performance Measures continued

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(1)	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
Complementary Concepts	1,322	(23)	–	1	1,300	852	13	2,165
Sporting Goods	993	(27)	(77)	–	889	–	63	952
Outdoor	553	–	–	–	552	–	(9)	543
Sporting Goods & Outdoor	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 £m	LFL 2025 £m	Non LFL 2025 £m	LFL %	Non-LFL %	Organic sales growth %
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%
JD Asia Pacific	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%
Complementary Concepts	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%

Alternative Performance Measures continued

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 3 February 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 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**	966	(5)	**961**	*(4.0%)*	*(2.9%)*
Adjusting items	**(208)**	(155)	—	**(155)**		
Profit before tax	**715**	811	(5)	**806**	(11.3%)	

(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 4 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.

Alternative Performance Measures continued

Operating Profit Before Adjusting Items after interest on lease liabilities
A reconciliation is presented on page 249 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.

Financial Calendar

Annual General Meeting	2 July 2025
Period End (52 weeks)	31 January 2026

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