Heatons Limited

Directors' Report and Financial Statements

For The Financial Year Ended 27 April 2025

Contents

Company Information

Directors	Leonard Brassel Paul Crowley Alastair Dick
Secretary	Robert Palmer
Company number	11229
Registered office	Heatons IDA Business Park Whitestown Tallaght Dublin 24
Auditor	RSM Ireland Business Advisory Limited Statutory Audit Firm Block D Iveagh Court Harcourt Road Dublin 2
Bankers	Allied Irish Banks, p.l.c. 10 Molesworth Street Dublin 2
Solicitors	Eversheds Sutherland Earlsfort Terrace Dublin 2

Directors' Report

The directors present their annual report and the audited financial statements of Heatons Limited (the "company") for the financial year ended 27 April 2025.

Directors

The names of the persons who at any time during the financial year were directors of the company are as follows:

Leonard Brassel
Paul Crowley
Alastair Dick

Company Secretary

Robert Palmer

Principal Activities

The principal activity of the company is retailing sports clothing and equipment, fashion, and homeware goods. This activity is conducted through its SportsDirect and Frasers stores throughout the Republic of Ireland.

Business Review

The company is one of the largest retailers in the country. It has an unrivalled product range and value for money product offering, which has made SportsDirect one of the largest sports retailers in the country.

The directors and management are focused on continuously improving efficiency to minimise the cost base of the company. In assessing the performance of the company, the company's key financial indicators during the year were as follows:

	2025	2024
	€	€
Turnover	**229,100,735**	220,550,218
Operating profit	**36,076,322**	35,901,945
Profit for the financial year	**43,065,993**	28,385,773
Shareholder's funds	**179,864,473**	138,772,837

Noteworthy material impacts on the operating profit for the year was interest income of €12,887,738 (2024: €nil) on related party loans, and the reduction in the onerous lease provision by €4,028,637 (2024: €10,423,754). The provision was reduced based on current trading performance and management's expectations for the future.

Principal risks and uncertainties

Under Irish company law, the company is required to give a description of the principal risks and uncertainties, which it faces. These principal risks are set out hereunder that could impact the business:

Directors' Report (continued)

Principal risks and uncertainties (continued)

Operational risk management

Key staff
The company's future success and financial strength depends on its ability to attract, retain and motivate highly skilled and qualified personnel. The loss of services of key employees could have a negative impact on the company's future success and financial strength. Good employee relations are vital to the company and the success of its business.

Supply chain
Any disruption or other adverse event affecting the company's relationship with any of its major manufacturers or suppliers, or a failure to replace any of its major manufacturers or suppliers on commercially reasonable terms, could have an adverse effect on the company's business, operating profit or overall financial condition.

Reliance on non-domestic manufacturers
The company is reliant on manufacturers in developing countries as the majority of the company's products are sourced from outside the UK and Ireland. The company is therefore subject to the risks associated with international trade and transport as well as those relating to exposure to different legal and other standards.

Market risk
The company is exposed to economic risk of a countrywide slowdown in growth and the ever-changing retail market as some consumers shift their preference to online offerings. The company continues to offer quality products at very competitive prices at its stores to protect itself in this regard. The company is continuing to pursue expansion through the rigorous selection of suitable premises in suitable locations. However, if these sites are unavailable or are too expensive, this will limit the company's growth in the future. The company faces strong competition for its custom and if the company fails to compete successfully, this too will limit growth.

Economic risk
The company is faced with many economic risks, such as soaring rate of inflation, the cost of energy crisis, rising interest rates and a potential recession. The on-going wars in Ukraine and Gaza present a risk to the global economy and supply chains. The Directors continue to monitor all these situations very closely and their potential impact on the business.

Financial risk management objectives and policies
The company uses financial instruments throughout its business. The core financial risk associated with the company's financial instruments are set out below. The board reviews and agrees policies for the prudent management of these risks as follows:

Directors' Report (continued)

Principal risks and uncertainties (continued)

Currency risk
The company has significant activity in sourcing goods from abroad and being exposed to foreign exchange movements on its purchases. Variances affecting operational activities in this regard are reflected in operating costs or in cost of sales in profit and loss in the years in which they arise. The principal foreign exchange risk is translation related, arising from fluctuations in the Euro value of the company's transactions in other countries.

Liquidity risk
The company's objective is to maintain a balance between the continuity of funding and flexibility through the use of borrowings with a range of maturities. The company's policy is to ensure that sufficient resources are available either from cash balances, cash flows, near cash liquid investments or group company loans to ensure that all obligations can be met as they fall due. To achieve this, the company ensures that its liquid investments are in highly rated counterparties and when relevant, it limits the maturity of cash balances.

Management and mitigation of risk
The identification and management of risk is a continuous process, and the company's system of internal controls and the company's business continuity programmes are key elements of that. The company maintains a system of controls to manage the business and to protect its assets. It will continue to invest in people, systems and in IT to manage the company's operations and its finances effectively and efficiently.

Likely future developments
The directors are not expecting to make any significant changes in the nature of the business in the near future.

Dividends
During the financial year, the directors paid an interim dividend of €40,680 (2024: €69,448). The directors do not recommend payment of a final dividend.

Political donations
During the financial year, the company made no political donations and did not incur any political expenditure (2024: €nil).

Research and development
The company did not engage in any research or development activity during the financial year.

Directors and secretary and their interests
In accordance with Section 329 (1) to (4) of the Companies Act 2014, none of the directors or the secretary who held office at the period end date or at any time during the period held any interest in shares of the company or group companies greater than 1% of the nominal value of the shares of those companies.

Directors' Report (continued)

Accounting records
The measures taken by the directors to secure compliance with the requirements of sections 281 to 285 of the Companies Act 2014 with regard to the keeping of accounting records are the implementation of necessary policies and procedures for recording transactions, the employment of competent accounting personnel with appropriate expertise and the provision of adequate resources to the financial function. The accounting records of the company are located at Heaton House, IDA Business Park, Whitestown, Tallaght, Dublin 24.

Relevant audit information
In the case of each of the persons who are directors at the time this report is approved in accordance with section 332 of Companies Act 2014:

- so far as each director is aware, there is no relevant audit information of which the company's statutory auditors are unaware, and
- each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's statutory auditors are aware of that information.

Audit committee
The directors do not believe an audit committee specifically for the Irish group is necessary given it is a 100% owned subsidiary of Frasers Group Plc, which operates a group-wide governance and risk management framework, including the operation of an audit committee. The company continues to apply the group's governance and risk management framework.

Events after the reporting period
There are no events since the balance sheet date which require disclosure in, or amendments to the financial statements.

Statement of compliance
The directors of the company:

- acknowledge that they are responsible for securing the company's compliance with its relevant obligations; and
- confirm that the following have been done:

1. the drawing up of a statement setting out the company's policies (that, in the directors' opinion, are appropriate to the company) respecting compliance by the company with its relevant obligations;
2. the putting in place of appropriate arrangements or structures that are, in the directors' opinion, designed to secure material compliance with the company's relevant obligations; and
3. the conducting of a review, during the financial year, of any arrangements or structures that have been put in place.

Directors' Report (continued)

Auditors

RSM Ireland Business Advisory Limited t/a RSM Ireland have expressed their willingness to continue in office in accordance with the provisions of Section 383(2) of the Companies Act 2014.

This report was approved by the board of directors on 15/12/2025 and signed on behalf of the board by:

Leonard Brassel
Director

Paul Crowley
Director

Directors' Responsibilities Statement

The directors are responsible for preparing the directors' report and the financial statements in accordance with applicable Irish law and regulations.

Irish company law requires the directors to prepare financial statements for each financial year. Under the law, the directors have elected to prepare the financial statements in accordance with the Companies Act 2014 and FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" issued by the Financial Reporting Council. Under company law, the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the assets, liabilities and financial position of the company as at the financial year end date and of the profit or loss of the company for the financial year and otherwise comply with the Companies Act 2014.

In preparing these 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 the financial statements have been prepared in accordance with applicable accounting standards, identify those standards, and note the effect and the reasons for any material departure from those standards;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations or have no realistic alternative but to do so.

The directors are responsible for ensuring that the company keeps or causes to be kept adequate accounting records which correctly explain and record the transactions of the company, enable at any time the assets, liabilities, financial position and profit or loss of the company to be determined with reasonable accuracy, enable them to ensure that the financial statements and directors report comply with the Companies Act 2014 and enable the financial statements to be audited. 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.

Signed on behalf of the board of directors by:

Leonard Brassel
Director

Paul Crowley
Director

Independent auditor's report to the members of Heatons Limited for the year ended 27 April 2025

RSM

Opinion

We have audited the financial statements of Heatons Limited (the"company") for the year ended 27 April 2025 which comprise the statement of comprehensive income, balance sheet, statement of changes in equity and notes to the financial statements, including the summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is Irish Law and FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' issued by the Financial Reporting Council.

In our opinion, the financial statements:

- give a true and fair view of the assets, liabilities and financial position of the company as at 27 April 2025 and of its profit for the year then ended;
- have been properly prepared in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; and
- have been properly prepared in accordance with the requirements of the Companies Act 2014.

Basis of opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) (ISAs (Ireland)) and applicable law. Our responsibilities under those standards are described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the company in accordance with ethical requirements that are relevant to our audit of financial statements in Ireland, including the Ethical Standard for Auditors (Ireland) issued by the Irish Auditing and Accounting Supervisory Authority, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

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

Other information (continued)

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2014

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

- in our opinion, the information given in the directors' report is consistent with the financial statements; and
- in our opinion, the directors' report has been prepared in accordance with the Companies Act 2014.

We have obtained all the information and explanations which we consider necessary for the purposes of our audit.

In our opinion, the accounting records of the company were sufficient to permit the financial statements to be readily and properly audited, and financial statements are in agreement with the accounting records.

Matters on which we are required to report by exception

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

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

Responsibilities of directors for the financial statements

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

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

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 (Ireland) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

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

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

Our report is made solely to the company's members, as a body, in accordance with section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the company's 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.

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Ronan Gilmartin
For and on behalf of
RSM Ireland Business Advisory Limited
Statutory Audit Firm
Block D
Iveagh Court
Harcourt Road
Dublin 2 D02 VH94

Date: 16 December 2025

Heatons Limited
Statement of Comprehensive Income
For The Financial Year Ended 27 April 2025

	Note	2025 €	2024 €
Turnover	4	**229,100,735**	220,550,218
Cost of sales		**(120,841,284)**	(112,375,449)
Gross profit		**108,259,451**	108,174,769
Distribution costs		**(1,731,441)**	(303,905)
Administrative expenses		**(72,356,399)**	(77,127,570)
Other operating income	5	**1,904,711**	5,158,651
Operating profit		**36,076,322**	35,901,945
Other interest		**12,887,738**	-
Profit before tax		**48,964,060**	35,901,945
Tax on profit	10	**(5,898,067)**	(7,516,172)
Profit for the financial year		**43,065,993**	28,385,773

All the activities of the company are from continuing operations.

The company has no other recognised items of income and expenses other than the results for the financial year as set out above.

The notes on pages 17 to 34 form part of these financial statements.

Heatons Limited
Balance Sheet as at 27 April 2025

	Note	2025 €	2025 €	2024 €	2024 €
Fixed Assets					
Tangible assets	12	**32,007,723**		20,805,278	
Financial assets	13	**4**		4	
			32,007,727		20,805,282
Current assets					
Debtors	14	**198,476,683**		157,267,830	
Cash at bank and in hand	15	**6,048,659**		8,468,204	
		204,525,342		165,736,034	
Creditors: amounts falling due within 1 year	16	**(42,872,578)**		(33,826,465)	
Net Current assets			**161,652,764**		131,909,569
Total assets less current liabilities			**193,660,491**		152,714,851
Creditors: amounts falling due after more than 1 year	17		**(5,630,577)**		(3,460,988)
Provision for liabilities	19		**(8,165,441)**		(10,531,026)
Net assets			**179,864,473**		138,722,837
Capital and reserves					
Called up share capital	22		**220,096**		220,096
Share premium account	23		**445,092**		445,092
Revaluation reserve	23		**14,330**		14,330
Profit and loss account	23		**179,184,955**		138,043,319
Shareholders' funds			**179,864,473**		138,722,837

The notes on pages 17 to 34 form part of these financial statements.

These financial statements were approved by the Board of Directors on 15/12/2025
and signed on behalf of the Board by:

Leonard Brassel
Director

Paul Crowley
Director

Heatons Limited
Statement of Changes in Equity
For The Financial Year Ended 28 April 2024

	Called up share capital	Share premium account	Revaluation reserve	Profit and loss account	**Total**
	€	€	€	€	**€**
At 30 April 2023	220,096	445,092	14,330	109,726,994	**110,406,512**
Profit for the financial year	-	-	-	28,385,773	**28,385,773**
Total comprehensive income for the financial year	-	-	-	28,385,773	**28,385,773**
At 28 April 2024	220,096	445,092	14,330	138,043,319	**138,722,837**
Prior year retained earnings adjustment	-	-	-	(1,883,677)	**(1,883,677)**
Profit for the financial year	-	-	-	43,065,993	**43,065,993**
Total comprehensive income for the financial year	-	-	-	41,182,316	**41,182,316**
Dividends paid and payable (Note 11)	-	-	-	(40,680)	**(40,680)**
Total investments by and distributions to owners	-	-	-	(40,680)	**(40,680)**
At 27 April 2025	220,096	445,092	14,330	179,184,955	**179,864,473**

Heatons Limited
Notes to the Financial Statements
For The Financial Year Ended 28 April 2024

1. General information

Heatons Limited (the 'company'), is a private company limited by shares, registered in Republic of Ireland. The address of the registered office is Heaton House, IDA Business Park, Whitestown, Tallaght, Dublin 24.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

3. Accounting policies and measurement basis

Basis of preparation

The financial statements have been prepared on the going concern basis and in accordance with the historical cost convention modified to include certain items at fair value. The financial reporting framework that has been applied in their preparation is the Companies Act 2014 (the Act) and FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland issued by the Financial Reporting Council.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the company's accounting policies.

The financial statements are prepared in Euro, which is the functional currency of the entity.

Going concern

The directors believe that it remains appropriate to prepare the financial statements on a going concern basis. The directors have prepared cash flow forecasts for a period of 12 months from the date of approval of these financial statements, which indicate that the company will have sufficient funds to meet its liabilities as they fall due. Furthermore, the ultimate parent company of the company is Frasers Group Plc, a group with substantial financial resources.

Based on the above and the financing facilities available to the company, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, the directors believe that it remains appropriate to adopt the going concern basis in preparing the financial statements.

Heatons Limited
Notes to the Financial Statements
For The Financial Year Ended 27 April 2025

Accounting policies and measurement basis (continued)

Disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Frasers Group Plc as at 27 April 2025 and these financial statements may be obtained from Frasers Group Plc's registered office address.

Consolidation

The company has taken advantage of the exemption from preparing consolidated financial statements contained in Section 300 of the Companies Act 2014 on the basis that the company is itself a subsidiary undertaking and its holding undertaking is established under the laws of a non-EEA State.

Judgements and key sources of estimation uncertainty

Preparation of the financial statements requires management to make significant judgments and estimates. The items in the financial statements where these judgments and estimates have been made include:

1) **Impairment**

   In assessing impairment, management estimates the recoverable amount of each asset or cash-generating unit based on expected future cash flows and uses an interest rate to discount them. Estimation of uncertainty relates to assumptions about future operating results and the determination of a suitable discount rate.

2) **Useful lives of depreciable assets**

   Management reviews its estimate of the useful lives of depreciable assets at each reporting date, based on the expected utilisation of the assets. Uncertainties in these estimates relate to technical and physical obsolescence that may change the utilisation of certain fixed assets.

3) **Property related provisions**

   Property related estimates and judgments are continually evaluated and are based on historical experience, external advice and other factors, including expectations of future events and trading patterns that are believed to be reasonable under the circumstances. Where an onerous lease has been identified, the assets dedicated to each applicable store are also reviewed for impairment.

Heatons Limited
Notes to the Financial Statements
For The Financial Year Ended 27 April 2025

Accounting policies and measurement basis (continued)

Specific assumptions which involve the use of estimates to determine the appropriate level of provision include:

1. Forecast sales by store, reflecting historic and expected future performance
2. Forecast wages and expected direct store cost inflation
3. The impact to gross margins due to currency fluctuations
4. Planned store closures, relocations and impact of re-brandings
5. Lease obligations calculated to the end of the lease or where applicable break clause, or earlier estimate of expected exit date where this can be reliably estimated.

Consistent with the Frasers Group Plc accounting policies and approach, the company has critically analysed its future obligations in the context of the above criteria and its expectation of future market conditions. The directors have concluded in applying these policies that the company has onerous obligations totalling €1,212,000 (2024: €5,240,637) which have been included in the company's financial statements in the current year.

Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

The following criteria must also be met before revenue is recognised:

- the company has transferred the significant risks and rewards of ownership to the buyer;
- the company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Heatons Limited
Notes to the Financial Statements
For The Financial Year Ended 27 April 2025

Accounting policies and measurement basis (continued)

Taxation

The tax expense for the financial year comprises current and deferred tax. Tax is recognised in the profit or loss, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the reporting date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

Foreign currencies

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end, foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

Heatons Limited
Notes to the Financial Statements
For The Financial Year Ended 27 April 2025

Accounting policies and measurement basis (continued)

Foreign currencies (continued)
Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Profit and loss account within 'finance income or costs'. All other foreign exchange gains and losses are presented in profit or loss within 'other operating income' or 'administrative expenses'.

Interest income
Interest income is recognised in profit or loss using the effective interest method.

Finance costs
Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

Operating leases
Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

Tangible assets
Tangible fixed assets under the cost model, other than investment properties, are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

The company adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the company. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to profit or loss during the period in which they are incurred.

Land is not depreciated. Depreciation on other assets is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the below stated method.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the profit or loss.

Heatons Limited
Notes to the Financial Statements
For The Financial Year Ended 27 April 2025

Accounting policies and measurement basis (continued)

Depreciation
Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Freehold & long-term leasehold property	10%	straight line
Short leasehold property	6.67%	straight line
Computer equipment	20%	straight line
Fixtures and fittings	20%	straight line
Motor vehicles	20%	straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Impairment
Assets that are subject to depreciation or amortisation are assessed at each reporting date to determine whether there is any indication that the assets are impaired. Where there is any indication that an asset may be impaired, the carrying value of the asset (or cash-generating unit to which the asset has been allocated) is tested for impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's (or CGU's) fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (CGUs). Non-financial assets that have been previously impaired are reviewed at each reporting date to assess whether there is any indication that the impairment losses recognised in prior periods may no longer exist or may have decreased.

Investment property
Investment property is carried at fair value determined annually by external valuers and derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in the nature, location or condition of the specific asset. No depreciation is provided. Changes in fair value are recognised in the Statement of comprehensive income.

Financial instruments
The company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Heatons Limited
Notes to the Financial Statements
For The Financial Year Ended 27 April 2025

Accounting policies and measurement basis (continued)

Financial instruments (continued)
Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in the case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of comprehensive income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the company would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount reported in the Statement of financial position when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Debtors
Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, including transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

Heatons Limited
Notes to the Financial Statements
For The Financial Year Ended 27 April 2025

Accounting policies and measurement basis (continued)

Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

Creditors

Short term creditors are measured at the transaction price. Other financial liabilities are measured initially at fair value, including transaction costs, and are measured subsequently at amortised cost using the effective interest method.

Provisions

Provisions are made where an event has taken place that gives the company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to profit or loss in the year that the company becomes aware of the obligation, and are measured at the best estimate at the reporting date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties. When payments are to be made, they are charged to the provision carried in the Statement of financial position.

Defined contribution plan

The company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid, the company has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of financial position. The assets of the plan are held separately from the company in independently administered funds.

Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting. Dividends on shares recognised as liabilities are recognised as expenses and classified within interest payable.

Heatons Limited
Notes to the Financial Statements
For The Financial Year Ended 27 April 2025

4. Turnover

The whole of the turnover is attributable to the principal activity of the company which is wholly undertaken in Ireland.

5. Other operating income

	2025	2024
	€	€
Management fee income	**1,562,411**	2,039,186
Sundry income	**342,300**	2,020,239
Foreign exchange gain	**-**	1,099,226
	1,904,711	5,158,651

6. Operating profit

Operating profit is stated after charging / (crediting):

	2025	2024
	€	€
Depreciation of tangible assets (Note 12)	**2,234,854**	4,686,405
Impairment of tangible assets	**-**	8,672,635
Operating lease rentals	**15,229,731**	14,960,023
Movement in provisions (Note 19)	**(2,365,585)**	(10,557,146)
Foreign exchange differences	**752,124**	907,057
	15,851,124	18,668,974

7. Auditors renumeration

	2025	2024
	€	€
Audit of the financial statements	**83,000**	73,500

Heatons Limited
Notes to the Financial Statements
For The Financial Year Ended 27 April 2025

8. Staff costs

The average number of persons employed by the company during the financial year, including the directors, was as follows:

	2025	2024
Retail	**1,313**	1,268
Administration	**38**	47
	1,351	1,315

The aggregate payroll costs (including directors' remuneration) incurred during the financial year were:

	2025 €	2024 €
Wages and salaries	**32,624,722**	31,380,344
Social insurance costs	**3,375,020**	3,235,297
Other retirement benefit costs	**290,195**	206,474
Other payroll costs	**96,494**	57,404
	36,386,431	34,879,519

9. Directors' remuneration

The directors' aggregate remuneration was as follows:

	2025 €	2024 €
Emoluments in respect of qualifying services	**336,098**	322,701
Pension contributions to defined contribution plans in respect of qualifying services	**29,976**	29,500
	366,074	352,201

There are two directors to whom retirement benefits are accruing under the defined contribution plan.

Heatons Limited
Notes to the Financial Statements
For The Financial Year Ended 27 April 2025

10. Tax on profit

	2025 €	2024 €
Current tax:		
Irish current tax expense	**5,289,903**	7,280,371
Foreign tax	**18,532**	16,644
(Over)/Underprovision re prior years	**(92,590)**	1,567,069
Pillar 2 adjustment	**297,416**	-
Deferred tax:		
Origination and reversal of timing differences	**384,806**	(1,347,912)
Tax on profit	**5,898,067**	7,516,172

Reconciliation of tax expense/income

The tax assessed on the profit for the financial year is higher than (2024: higher than) the standard rate of corporation tax in Ireland of 12.50% (2024: 12.50%).

	2025 €	2024 €
Profit before taxation	**48,964,060**	35,901,945
Profit multiplied by rate of tax	**6,120,508**	4,487,743
Effect of expenses not deductible for tax purposes	**284,253**	60,916
Effect of capital allowances and depreciation	**(254,322)**	1,406,651
Effect of different Irish tax rates on some earnings	**44,891**	1,576,305
Movement in deferred tax asset	**384,805**	(1,347,912)
Other timing difference	**2**	12,619
TRS on medical insurance payments	**11,758**	10,891
(Over)/Underprovision re prior years	**(92,590)**	1,567,069
Pillar 2 adjustment	**297,416**	-
UK tax on RDC branch profits	**18,532**	16,644
DTR on RDC branch profits	**(7,943)**	(7,610)
Utilisation of group loss claimed	**(909,243)**	(267,144)
Tax on profit	**5,898,067**	7,516,172

Factors affecting future tax expense

There were no factors which may affect future tax charges.

11. Dividends

	2025 €	2024 €
Dividends paid on equity capital	**40,680**	69,448

Heatons Limited
Notes to the Financial Statements (continued)
For The Financial Year Ended 27 April 2025

12. Tangible assets

	Freehold Property	Long Leasehold Property	Short Leasehold Property	Computer Equipment	Fixtures & Fittings	Motor Vehicles	Land	Total
	€	€	€	€	€	€	€	€
Cost								
At 28 April 2024	25,774,596	3,442,215	14,468,891	880,868	50,848,601	79,205	12,153,517	107,647,893
Additions	-	-	-	-	13,909,026	-	-	13,909,026
Disposals	(1,084,965)	-	-	(15,547)	(28,755)	(54,318)	(471,727)	(1,655,312)
At 27 April 2025	**24,689,631**	**3,442,215**	**14,468,891**	**865,321**	**64,728,872**	**24,887**	**11,681,790**	**119,901,607**
Depreciation								
At 28 April 2024	25,774,441	3,442,215	14,468,891	880,868	42,196,941	79,205	54	86,842,615
Charge for the financial year	-	-	-	-	2,234,854	-	-	2,234,854
Depreciation disposals	(1,084,965)	-	-	(15,547)	(28,755)	(54,318)	-	(1,183,585)
At 27 April 2025	**24,689,476**	**3,442,215**	**14,468,891**	**865,321**	**44,403,040**	**24,887**	**54**	**87,893,884**
Carrying amount								
At 27 April 2025	**155**	-	-	-	**20,325,832**	-	**11,681,736**	**32,007,723**
At 28 April 2024	155	-	-	-	8,651,660	-	12,153,463	20,805,278

Heatons Limited
Notes to the Financial Statements
For The Financial Year Ended 27 April 2025

13. Financial assets

	Shares in	Total
	€	€
Cost		
At 28 April 2024	4	4
At 27 April 2027	4	4
Provision for diminution in value		
At 28 April 2024 and 27 April 2025	-	-
Carrying amount		
At 27 April 2025	4	4
At 28 April 2024	4	4

Investment in Group Undertakings

Subsidiary undertakings	Registered office	Nature of Business	Class of Share	Shares held 2025 %	Shares held 2024 %
Heatons (NI) Limited	c/o Eversheds Sutherland 4F Montgomery House Montgomery Street Belfast Northern Ireland BT1 4NX	Retail	Ordinary	100	100
The Flannels Group (ROI) Limited	Heatons House IDA Business Park Whitestown Tallaght, Dublin	Retail	Ordinary	100	100

14. Debtors

	2025	2024
	€	€
Amounts owed by group undertakings (Note 29)	**177,782,327**	151,864,213
Other debtors	**13,172,398**	286,265
Prepayments	**3,088,599**	3,150,888
Income tax receivable	**2,851,700**	-
Deferred tax asset (Note 20)	**1,581,659**	1,966,464
	198,476,683	157,267,830

Amounts owed by group undertakings are unsecured and repayable on demand.

Heatons Limited
Notes to the Financial Statements
For The Financial Year Ended 27 April 2025

Debtors (continued)

The debtors above include the following amounts falling due after more than one year:

	2025	2024
	€	€
Deferred tax asset (Note 20)	**1,581,659**	1,966,464

15. Cash and cash equivalents

	2025	2024
	€	€
Cash at bank and in hand	**6,048,659**	8,468,204

16. Creditors: amounts falling due within 1 year

	2025	2024
	€	€
Trade creditors	**7,400,561**	3,472,031
Amounts owed to group undertakings (Note 29)	**27,342,436**	21,309,789
Deferred revenue	**196,394**	-
Other creditors	**974,740**	401,496
Tax and social insurance:		
PAYE and social welfare	**555,216**	590,144
Corporation tax	**-**	1,739,113
VAT	**925,274**	1,759,139
Accruals	**5,477,957**	4,554,753
	42,872,578	33,826,465

Trade and other creditors are payable at various dates in accordance with the suppliers' usual and customary credit terms.

17. Creditors: amounts falling due after more than 1 year

	2025	2024
	€	€
Amounts owed to group undertakings (Note 29)	**3,501,668**	3,460,988
Deferred revenue	**2,128,909**	-
	5,630,577	3,460,988

Heatons Limited
Notes to the Financial Statements
For The Financial Year Ended 27 April 2025

18. Financial instruments

The carrying amount for each category of financial instrument is as follows:

	2025	2024
	€	€
Financial assets that are debt instruments measured at amortised cost		
Amounts owed by group undertakings	**177,782,327**	151,864,213
Other debtors	**13,172,398**	286,265
Cash at bank and in hand	**6,048,659**	8,468,204
	197,003,384	160,618,682
Financial liabilities measured at amortised cost		
Trade creditors	**7,400,561**	3,472,031
Amounts owed to group undertakings	**27,342,436**	21,309,789
Other creditors	**974,740**	401,496
	35,717,737	25,183,316

19. Provisions for liabilities

	Insurance Claims	Dilapidation	Onerous Lease	**Total**
	€	€	€	**€**
At 28 April 2024	1,840,389	3,450,000	5,240,637	**10,531,026**
Charged to profit or loss	279,164	1,934,861	-	**2,214,025**
Utilised in the financial year	(550,973)	-	(4,028,637)	**(4,579,610)**
At 27 April 2025	1,568,580	5,384,861	1,212,000	**8,165,441**

The provision contains estimated amounts in respect of onerous lease contracts representing the net cost of fulfilling the company's obligations over the terms of these contracts. The provision is expected to be utilised over the period to the end of each specific lease.

20. Deferred tax

The deferred tax included in the balance sheet is as follows:

	2025	2024
	€	€
Included in debtors (Note 14)	**1,581,659**	1,966,464

The deferred tax account consists of the tax effect of timing differences in respect of:

	2025	2024
	€	€
Accelerated capital allowances	**1,580,320**	1,965,101
Provisions deductible on payment	**1,339**	1,363
	1,581,659	1,966,464

Heatons Limited
Notes to the Financial Statements
For The Financial Year Ended 27 April 2025

21. Employee benefits

The company operates a defined contribution pension scheme for all employees. The assets of the scheme are held separately to the assets of the company. Contributions to the scheme are charged to profit or loss as they become payable. The charge for the year is shown in note 8 of the financial statements and at the year-end there were unpaid contributions of €31,267 (2024: €31,818).

22. Share Capital Authorised

	2025		2024	
Authorised Share Capital	**Number**	**€**	Number	€
200,000 shares of €1.20 each	**200,000**	**240,000**	200,000	240,000
Issued, called up and fully paid				
Amounts presented in equity	**Number**	**€**	Number	€
183,413 shares of €1.20 each	**183,413**	**220,096**	183,413	220,096

23. Reserves

Share premium account

Includes and premiums received on issue of share capital. Any transaction costs associated with the issuing of shares are deducted from share premium.

Capital redemption reserve

Capital redemption reserve represents the amounts transferred on the redemption or purchase of the company's own shares.

Profit and loss account

Includes all current and prior period retained profits and losses.

24. Financial commitments

As at the reporting period, the company had a financial commitment in relation to sponsorship of €1,200,000 (2024: €1,600,000).

Heatons Limited
Notes to the Financial Statements
For The Financial Year Ended 27 April 2025

25. Capital commitments

At the financial year end the company had a commitment for capital expenditure of €21,896,757 (2024: €12,139,288).

26. Operating leases

The company as lessee
The total future minimum lease payments under non-cancellable operating leases are as follows:

	2025	2024
	€	€
Not later than 1 year	**14,762,429**	14,300,592
Later than 1 year and not later than 5 years	**42,974,586**	42,275,750
Later than 5 years	**43,883,021**	44,728,234
	101,620,036	101,304,576

27. Charge on assets

SportsDirect.com Retail Limited holds a Debenture as continuing security for the payment and discharge of all secured obligations under a loan €40,000,000. Heatons Limited, as beneficial owner and also in the case of registered land as registered owner, has by issuing the Debenture charged (by way of fixed charges, security assignments and floating charges) all its present (as at the date of the Debenture) and future property, undertaking and assets.

28. Key management personnel

The directors are considered to be the key management of the company. The compensation paid or payable to the directors is disclosed in note 9.

29. Related party transactions

There were no transactions with related parties such as are required to be disclosed under Financial Reporting Standard 102 Section 33.

30. Events after the reporting period

There are no other events since the balance sheet date which require disclosure in, or amendments to the financial statements.

Heatons Limited
Notes to the Financial Statements
For The Financial Year Ended 27 April 2025

31. Controlling party

The parent company is Bellatrix Associates Limited, a company incorporated in the Isle of Man. Warrnambool Limited (previously Warrnambool Unlimited Company), a company incorporated in the Republic of Ireland, is the parent company of Bellatrix Associates Limited.

The smallest and largest group into which the results of the company is consolidated is headed by Frasers Group Plc. The consolidated financial statements of Frasers Group Plc, are available from its registered office at Unit A, Brooks Park East, Shirebrook, NG20 8RY, United Kingdom.

32. Approval of financial statements

The board of directors approved these financial statements and authorised them for issue on

15/12/2025.