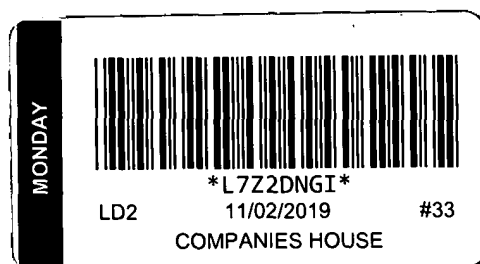


Company Registration No. 06861426 (England and Wales)

MASH HOLDINGS LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 APRIL 2017



MASH HOLDINGS LIMITED

COMPANY INFORMATION

Director	Mr M Ashley
Secretary	Eacotts International Limited
Company number	06861426
Registered office	Grenville Court Britwell Road Burnham SL1 8DF
Auditor	Grant Thornton UK LLP 2 Broadfield Court Sheffield S8 0XF

MASH HOLDINGS LIMITED

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MASH HOLDINGS LIMITED

STRATEGIC REPORT

FOR THE PERIOD ENDED 30 APRIL 2017

The director presents the strategic report for the period ended 30 April 2017.

Review of the Businesses

Sports Direct International Group

Sports Direct has shown a decline in financial performance on the prior year due to FY17 being a transitional year. This has been due to a number of factors including the currency headwinds and strategic challenges in the operations in continental Europe.

For the period we increased the SDI Group's revenue by 11.7% to £3,245.3m. This was primarily due to the increase in Sports Retail revenue of 6.3% to £2,136.4m, which includes Heaton's Northern Ireland sales. International Sports Retail increased by 38.0% to £655.6m including Heaton's Republic of Ireland. Premium Lifestyle revenue increased by 11.6%, with revenue in Brands up 4.1%.

The SDI Group's gross margin for the period decreased by 320 basis points; from 44.2% to 41.0%. This was due to the impact of negative movement in the US dollar exchange rate with the pound and to an increase in provisioning for stock obsolescence as we identify higher risks in a fast changing market and supply chain. UK Sports Retail margin decreased by 330 basis points from 44.5% to 41.2%, while International Sports Retail decreased 160 basis points from 44.8% to 43.2%. Premium Lifestyle's gross margin decreased by 450 basis points from 42.1% to 37.6%, which was also due to discounting of slow moving stock.

The SDI Group has achieved another period of revenue and profit growth in a challenging retail environment, driven by increased investment in our store portfolio. During the period we have decreased our store portfolio in the UK by 6 stores and have added a further 8 stores to our European store portfolio.

The Fitness division has been extended during the period with the opening of the first Everlast-branded gym which is located in Southport. The gym has attracted strong membership and there has been Everlast Personal Trainers recently introduced. There are a further four Everlast Fitness Clubs expected to be opened in FY18 to continue to engage more members of the community in an active lifestyle.

There have been early indications that show that trading in our new generation flagship stores is exceeding our expectations. We will continue to be conservative in managing for the medium to long term, which may result in short term fluctuations, particularly due to the continued uncertainty regarding Brexit.

During the period the Group disposed of the Dunlop brands and its related wholesale and licensing activities. This facilitates more bandwidth for management to develop relationships with third party brands without the need to manage the Dunlop brand on an international basis.

Newcastle United Football Club

Turnover for the period ended 30 April 2017 was £91.8m (2016: £131.1m).

Media revenue fell £25.3m to £47.4m (2016: £72.7m). The commercial income including centrally distributed Premier League sponsors fell £13.0m to £12.1m (2016: £25.1m).

Operating expenses increased by £44.3m to £140.8m (2016: £96.5m), however amortisation of players' registrations increased to £35.8m (2016: £28.3m) which reflects the significant level of investment in the playing squad.

The increase in the wages to turnover ratio, at 122.2% (2016: 59.4%) again reflects this investment, combined with the change in the first team management in March 2016.

Net debt comprised of an overdraft of £8.3m (2016: cash in bank £1.7m). Term loans from M Ashley and companies under his control were £144.0m at the balance sheet date (2016: £129.0m) and continue to be interest free. As in previous periods there have been no payments by the Group to M Ashley in respect of wages, interest or fees of any kind.

MASH HOLDINGS LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE PERIOD ENDED 30 APRIL 2017

Principal risks and uncertainties

Sports Direct

Principal risks in relation to Sports Direct are as follows:

- **Supply Chain & Key Suppliers.** The Group operates internationally so is reliant on the successful distribution of goods manufactured outside the UK. The Group therefore requires strong Service Level Agreements from suppliers and that they sign up to the Group's Code of Ethics / Supply Policy. The Group is reliant on good relationships with major manufacturers and brand suppliers. The Group implements policies to promote long term supplier relationships to enable a better understanding between the Group and key suppliers.
- **Succession Planning.** Our departments work together to develop their understanding of each department and of the Group. Senior Managers work at ground level to help to assess the strengths of their employees and to offer development opportunities where appropriate. This can be of assistance when considering the suitability of internal candidates for vacancies. Promotion opportunities, a newly developed competency framework, and regular appraisals give employees a voice, encourage a sense of responsibility and support career progression. Our structured talent management programmes, and specialist master classes, encourage internal progression within the Group.
- **Market forces.** The Sports Retail industry is highly competitive and the Group currently competes at national and local levels with a wide variety of retailers of varying sizes who may have competitive advantages. New competitors may enter the market. The Group has a discount pricing policy to help reduce the risk of increased competition in the industry. The Group has a strong property portfolio, and continues to strengthen this by opening and closing stores to adapt to market conditions. A number of key brands are owned by the Group, reducing pressure on margins.
- **Operational.** The Group is reliant on the Head Office and National Distribution Centre at Shirebrook operating without disruption, along with the uninterrupted running of the Group's fleet of vehicles. The Group has a strong business continuity plan that is regularly reviewed to address operational risks. The Group constantly monitors the business environment and the nature of the business model allows for the Group to act swiftly under extraordinary circumstances.
- **Sales.** The Group's retail businesses are subject to seasonal peaks and the impact of unseasonal weather conditions. The incidence and participation in major sporting events will have a particular impact on the UK Retail business. Although unable to mitigate environmental conditions the Group is able to influence the retail portfolio and therefore constantly monitor development of stores and the Group's aim to increase the square footage through viable new retail space. By monitoring stock levels through sales forecasting the Group can manage the peaks in demand and trading profiles can be predicted.
- **Brexit.** Following the outcome of the UK referendum on EU membership, the Group notes the associated market volatility and in particular material changes to sterling / dollar exchange rates, and the lack of transparency as to those rates in the short to medium term. These factors are likely to impact purchases for which the Group is currently not hedged for the FY17 period and beyond.

MASH HOLDINGS LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE PERIOD ENDED 30 APRIL 2017

Newcastle United Football Club

The principal risks in relation to the football club are as follows:

- Identification, negotiation and successful acquisition of the best players, in what is a highly competitive market, is one of the most significant and high profile risks facing the Club. Our policies and procedures for acquiring and developing successful players are very carefully implemented and regularly reassessed to maximise the chances of achieving the results we aspire to.

Injuries to key players can weaken the playing squad and reduce the chances of on field success. The Group has invested substantial sums in sports medicine and science facilities to minimise the unavailability of players through injury.

- Team performance affects all aspects of the Club's operations, and the Board has continued to invest in the squad to ensure that the Club can compete at the highest levels.

- The Club is regulated by the rules of the FA, Premier League, EFL, UEFA and FIFA. Any change to regulations from any of these bodies could have an impact on the company as the regulations cover areas such as: the format of competitions, financial fair play, the division of broadcasting income, the eligibility of players and the operation of the transfer market. The Club monitors its compliance with all applicable rules and regulations on a continuous basis and also monitors and considers the impact of any potential changes.

- The Club's financing requirements depend on many factors and these are kept under constant review. The Club may require further financing if its capital requirements vary materially from its current plans.

- The Club buys from suppliers and sells to customers outside the United Kingdom and, consequently, dealings with these customers and suppliers may be in foreign currencies which will be subject to exchange rate fluctuations. Where considered prudent, the Club actively hedges its foreign currency exposure.

- Compliance. The Club operates in a regulated and complex environment, with many compliance risks such as health and safety, taxation, immigration and governing body rules. The Club seeks to comply with all requirements at all times.

Other Investment Activities

The principal risks in relation to other investment activities are as follows:

- Identification of suitable investment opportunities.

- Risks associated with property investment and development, including project management costs, liability of suppliers, raising finance and managing cash flow. These are managed by engaging with skilled professionals and project managers to ensure appropriate action is taken on a timely basis and that projects are assessed for their viability on a continuous basis as they progress.

MASH HOLDINGS LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE PERIOD ENDED 30 APRIL 2017

Financial risk management including derivatives, objectives, forward fixed rate currency contracts and policies

The Group uses financial instruments, comprising loans, cash and other liquid resources and various other items such as trade debtors, creditors and finance lease arrangements that arise directly from its operations. The main purpose of these financial instruments is to raise finance for the Group's operations.

The main issues arising from the Group's financial instruments are liquidity risk, interest rate and foreign currency risk. The director reviews and agrees policies for managing each of these risks and they are summarised below. The policies have remained unchanged from the previous period.

In addition to the above the Group also has significant exposure to foreign exchange fluctuations relating to purchases made in foreign currency, principally the US dollar. The Group's policy is to reduce substantially the risk associated with purchases denominated in foreign currencies by using forward fixed rate currency purchase contracts, taking into account any foreign currency cash flows.

Cash flow hedging

Derivative financial instruments are used as cash flow hedges when they hedge the Group's exposure to variability in cash flows that are either attributable to a particular risk associated with a recognised asset or liability, or a highly probable forecast transaction.

Liquidity risk

The Group seeks to manage financial risk by ensuring sufficient liquidity is available to meet foreseeable needs by negotiating adequate facilities from the Group's bankers and other lenders.

Interest rate risk

The Group finances its operations through a mixture of shareholders' equity, retained profits and bank borrowings. The Group's exposure to interest rate fluctuations is managed by the use of both fixed and floating facilities.

Foreign currency risk

The Group is exposed to transaction and translation foreign exchange risk. The Group seeks to minimise its exposure when known, using forward fixed rate currency contracts.

Credit risk & liquidity risk

The Group provides credit to some of its customers, primarily through the Brands division. Credit evaluations are performed on all customers requiring credit over a certain amount and concentration of risk is monitored. Funding for the Group's operations is provided through bank loans and overdrafts through a risk-mitigating facility with 13 banks, and shareholders' funds, to ensure sufficient liquidity for the Group's requirements.

Capital management

MASH Holdings Limited seeks to enhance shareholder value by capturing business opportunities as they develop. To achieve this goal, MASH Holdings Limited maintains sufficient capital to support its business. MASH Holdings Limited reviews its sufficiency of capital as appropriate, taking into consideration economic risks inherent in its business, regulatory requirements, and maintenance of a sufficient debt rating for its business.

MASH HOLDINGS LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE PERIOD ENDED 30 APRIL 2017

Key performance indicators

Group revenue

Group revenue increased by 11.7%, with Sports Direct revenue increasing by 11.7%, and Newcastle United revenue decreasing by 30.0%. This was primarily due to the increase in Sports Retail revenue of 6.3% to £2,136.4m, which includes Heatons Northern Ireland sales. Newcastle revenue fell due to a decrease in both media and commercial income.

Profit before tax

Group profit before tax decreased from £277.7m to £102.5m. The main reasons for this are due to lower EBITDA and higher depreciation charges particularly in relation to the Sports Direct Group. Other reasons are changes in the fair values of hedged contracts and other fair value adjustments recognised through profit and loss.

Cash flow

The group generated operating cash flow of £197.8m compared with the prior year of £172.5m.

Sports retail gross margin

Sports retail gross margin fell to 41.0% for the entire period. This was due to the impact of negative movement in the US dollar exchange rate with the pound.

Sports retail like-for-like stores gross contribution

Sports retail like-for-like stores gross contribution was static compared to the previous period.

No. of Sports Retail stores

The number of Sports Retail stores increased from 733 to 757.

Employee turnover

This period 17.4% of our UK employees left the business, the vast majority of them were from our stores.

Cardboard recycling

During the period 12,203 tonnes of cardboard (2016: 10,000 tonnes) were recycled. We are actively reducing the amount of waste we send to landfill and segregate waste to ensure that we recycle as much as possible. Looking ahead, we will continue our commitment to minimise waste and improve energy efficiency across our stores.

Average league home attendance

The average attendance for league matches at home increased from 49,754 to an average of 51,108.

MASH HOLDINGS LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE PERIOD ENDED 30 APRIL 2017

Commercial arrangements

Sports Direct Group has a contract in place with Barlin Delivery Limited, a company 100% owned by John Ashley, who is the brother of Mike Ashley. This contractual arrangement was entered into under market terms, and made good commercial sense for the Company and its shareholders. Since the year end this arrangement is no longer in place.

MM Prop Consultancy Ltd, a company owned and controlled by Michael Murray, continues to provide property consultancy services to the group. MM Prop Consultancy Ltd is primarily tasked with finding and negotiating the acquisition of new sites for both Sports Direct's larger format stores and Sports Direct's combined retail and gym units but it also provides advice to the Company's in-house property team in relation to existing sites both in the UK and in Europe.

MM Prop Consultancy Ltd fees are linked directly to value creation which is determined by Sports Direct's non-executive directors who independently review performance bi-annually with a view to determining, at their absolute and sole discretion, the quantum of the fee payable. Under the terms of the agreement with MM Prop Consultancy Ltd no fees are payable until the earliest of 30 September 2018 so that the Sports Direct's independent non-executive directors have a sufficient amount of time to assess performance.

The Sports Direct Group has commercial arrangements in place with ISBL Consultancy Limited. Based on media coverage of the relationship between Justin Barnes, a director of ISBL Consultancy Limited, and Mike Ashley, Chief Executive Officer of the Sports Direct Group, management has considered whether a related party relationship exists and concluded that Justin Barnes and/or ISBL Consultancy Limited are acting in an advisory capacity only and are not performing key management functions that would indicate a related party transaction. Management decisions are made solely by the management of the Group.

On behalf of the board



Mr M Ashley
Director



4/2/19

MASH HOLDINGS LIMITED

DIRECTOR'S REPORT

FOR THE PERIOD ENDED 30 APRIL 2017

The director presents his annual report and financial statements for the period ended 30 April 2017.

Principal activities

The principal activities of the group during the period ended were:

- the operation of a professional football club together with related and ancillary activities;
- retailing and wholesale distribution of sports and leisure clothing,
- licensing of group brands; and
- other investment activities.

Director

The director who held office during the period and up to the date of signature of the financial statements was as follows:

Mr M Ashley

Results and dividends

The results of the Group for the period are set out on pages 12 to 13. The results for the Company are set out in Note 12.

No ordinary dividends were paid. The director does not recommend payment of a dividend.

Disabled persons

Applications for employment by disabled persons are given full and fair consideration for all vacancies in accordance with their particular aptitudes and abilities. In the event of employees becoming disabled, every effort is made to re-train them in order that their employment with the Group may continue.

It is the policy of the Group that training, career development and promotion opportunities should be available to all employees.

Employee investment

The Group has continued its practice of keeping employees informed of matters affecting them as employees and the financial and economic factors affecting the performance of the Group.

MASH HOLDINGS LIMITED

DIRECTOR'S REPORT (CONTINUED)

FOR THE PERIOD ENDED 30 APRIL 2017

Post reporting date events

Sports Direct:

Following the outcome of the UK referendum on EU membership, the Group notes the associated market volatility and in particular material changes to sterling/dollar exchange rates, and the lack of transparency as to those rates in the short to medium term. These factors are likely to impact purchases for which the Group is currently not hedged for the FY18 period and beyond. The Group does not consider this an adjusting event for the accounting period ended 30 April 2017.

Subsequent to the balance sheet date, the Group have entered into a new Revolving Credit Facility which will provide the Group with access to borrowings of up to £907.5m. It is likely that an accordion arrangement will be established to increase this facility to £1 billion.

Sports Direct Group completed the acquisition of the business and assets of House of Fraser during August 2018. House of Fraser is one of the UK's premium fashion, home and beauty retailers.

The group has acquired all of the UK and Republic of Ireland stores of House of Fraser, the House of Fraser brand and all of the associated stock. The business was purchased out of administration for a cash consideration of £90m.

The Group announced on 27 April 2018 that it has instructed Liberum Capital Limited in relation to an irrevocable non-discretionary share buyback programme to purchase the Group's shares during the closed period commencing on 30 April 2018 and ending on 19 July 2018. In line with IAS 32 Financial Instruments: Presentation the Group recognised the full redemption amount of £40.0m, which is considered to be immaterially different to the present value at year end. If the contract expires without full delivery, the amount of the financial liability attributable to the undelivered shares is reclassified to equity reversing the original recognition. As at the end of the closed period share buyback program, nil shares had been purchased.

Subsequent to the year end, JD Sports plc completed their takeover of The Finish Line Inc. and Sports Direct disposed of their remaining economic interest and received net proceeds from the sale of the physical shares of £45.2m.

The Group acquired Evans Cycles during October 2018. The business was purchased out of administration for cash consideration of £8m which included £2m to fund Evans Cycles' October payroll.

Newcastle United Football Club:

Subsequent to the balance sheet date Newcastle United Football Club secured promotion to the Premier League for the 2017/2018 season. However in October 2017, owner Mike Ashley decided to put the club up for sale.

Strawberry Place Newcastle Limited:

After the reporting date, a contract was entered into, to sell the land owned by Strawberry Place Newcastle Limited for consideration of £9m.

Future developments

Sports Direct:

Trading since the period end has been in line with management expectations and will continue to be driven by improvements in product range and availability, optimisation of both our in-store and web offerings, the introduction of Click and Collect in the UK and further investment in our store portfolio.

Newcastle United Football Club:

The Club will have challenges to face as it looks forward to the 18/19 season back in the Premier League.

Other investment activities:

The Group continues to seek out profitable investments and development projects.

The overall strength of our business model means that we are very well positioned for these challenges and targets. Our progress since the period end is in line with management expectations.

MASH HOLDINGS LIMITED

DIRECTOR'S REPORT (CONTINUED)

FOR THE PERIOD ENDED 30 APRIL 2017

Auditor

Grant Thornton UK LLP, having expressed their willingness to continue in office, will be deemed reappointed for the next financial period in accordance with section 487 (2) of the Companies Act 2006 unless the company receives notice under section 488 (1) of the Companies Act 2006.

Statement of director's responsibilities

The director is responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law (including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland')). Under company law the director must not approve the financial statements unless he is 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 these financial statements, the director is 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and company will continue in business.

The director is responsible for keeping adequate accounting records that are sufficient to show and explain the group's and company's transactions and disclose with reasonable accuracy at any time the financial position of the group and company and enable them to ensure that the financial statements comply with the Companies Act 2006. He is also responsible for safeguarding the assets of the group and company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the auditor of the company is unaware. Additionally, the director has taken all the necessary steps that they ought to have taken as director in order to make them aware of all relevant audit information and to establish that the auditor of the company is aware of that information.

On behalf of the board



Mr M Ashley
Director

Date: 4/2/19

MASH HOLDINGS LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF MASH HOLDINGS LIMITED

We have audited the financial statements of MASH Holdings Limited for the period ended 30 April 2017, which comprise the *Group Statement of Comprehensive Income*, the *Group Balance Sheet*, the *Company Balance Sheet*, the *Group Statement of Changes in Equity*, the *Company Statement of Changes in Equity*, the *Group Statement of Cash Flows*, the *Company Statement of Cash Flows* and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

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.

Respective responsibilities of director and auditor

As explained more fully in the Statement of director's responsibilities set out on page 9, the director is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent company's affairs as at 30 April 2017 and of the group's profit for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit, the information given in the Strategic Report and the Director's Report for the financial period for which the financial statements are prepared is consistent with the financial statements, and the Strategic Report and the Director's Report have been prepared in accordance with applicable legal requirements.

MASH HOLDINGS LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF MASH HOLDINGS LIMITED

Matter on which we are required to report under the Companies Act 2006

In the light of the knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Director's Report.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- give 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; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Michael Redfern

Michael Redfern
Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP

5 February 2019
Date

Chartered Accountants
Statutory Auditor
Sheffield

MASH HOLDINGS LIMITED

GROUP STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED 30 APRIL 2017

		Period ended 30 April 2017 £000	Period ended 26 April 2016 £000
	Notes		
Turnover	3	3,337,342	3,035,504
Cost of sales		(1,914,774)	(1,619,681)
Gross profit		1,422,568	1,415,823
Administrative expenses		(1,348,380)	(1,178,328)
Exceptional costs	4	(17,258)	(52,922)
Total administrative expenses	4	(1,365,638)	(1,231,250)
Other operating income		22,554	11,137
Operating profit	5	79,484	195,710
Share of results of associates and joint ventures		813	2,449
Interest receivable and similar income	9	166,666	152,465
Interest payable and similar expenses	10	(42,795)	(15,393)
Fair value gains and losses		(138,471)	(60,251)
Disposal of a subsidiary		79,870	-
(Loss)/ profit on disposal of players' registrations		(43,051)	2,756
Profit before taxation		102,516	277,736
Tax on profit	11	(50,594)	(71,918)
Profit for the financial period		51,922	205,818
Other comprehensive income			
Currency translation differences		50,253	12,404
Actuarial losses on defined benefit pension schemes		(8,779)	(5)
Tax relating to other comprehensive income		(149)	34
Total comprehensive income for the period		93,247	218,251

MASH HOLDINGS LIMITED

GROUP STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED 30 APRIL 2017

	Notes	Period ended 30 April 2017 £000	Period ended 26 April 2016 £000
Profit for the financial period is attributable to:			
- Owners of the parent company		10,894	79,804
- Non-controlling interests		41,028	126,014
		<u>51,922</u>	<u>205,818</u>
Total comprehensive income for the period is attributable to:			
- Owners of the parent company		34,866	92,237
- Non-controlling interests		58,381	126,014
		<u>93,247</u>	<u>218,251</u>

The Statement of Comprehensive Income has been prepared on the basis that all operations are continuing operations.

MASH HOLDINGS LIMITED

GROUP BALANCE SHEET

AS AT 30 APRIL 2017

		2017		2016 as restated	
	Notes	£000	£000	£000	£000
Fixed assets					
Goodwill	13		159,526		194,291
Other intangible assets	13		103,981		108,417
Total intangible assets			263,507		302,708
Tangible assets	14		930,451		653,490
Investment properties	15		66,069		42,566
Investments	16		93,882		211,088
			1,353,909		1,209,852
Current assets					
Stocks	20	846,615		911,852	
Debtors	21	550,068		495,071	
Cash and cash equivalents		290,773		335,853	
		1,687,456		1,742,776	
Creditors: amounts falling due within one year	22	(800,744)		(702,162)	
Net current assets			886,712		1,040,614
Total assets less current liabilities			2,240,621		2,250,466
Creditors: amounts falling due after more than one year	23		(341,929)		(354,085)
Provisions for liabilities	26		(178,274)		(91,933)
Net assets excluding pension liability			1,720,418		1,804,448
Defined benefit pension liability	28		(3,353)		(13,065)
Net assets			1,717,065		1,791,383


MASH HOLDINGS LIMITED

GROUP BALANCE SHEET (CONTINUED)

AS AT 30 APRIL 2017

		2017		2016 as restated	
	Notes	£000	£000	£000	£000
Capital and reserves					
Called up share capital	29		1		1
Share premium account			241,517		241,517
Other reserves			(196,131)		(246,385)
Profit and loss reserves			1,053,587		1,234,773
Equity attributable to owners of the parent company			1,098,974		1,229,907
Non-controlling interests			618,091		561,476
			1,717,065		1,791,383

The financial statements were approved and signed by the director and authorised for issue on 4/2/19



 Mr M Ashley
 Director

MASH HOLDINGS LIMITED

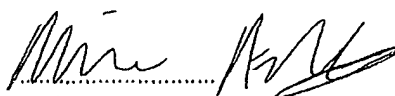
COMPANY BALANCE SHEET

AS AT 30 APRIL 2017

		2017		2016 as restated	
	Notes	£000	£000	£000	£000
Fixed assets					
Investments	16		46,235		44,553
Current assets					
Debtors	21	566,017		494,181	
Cash and cash equivalents		84,896		91,344	
		650,913		585,525	
Creditors: amounts falling due within one year	22	(147,657)		(89,865)	
Net current assets			503,256		495,660
Total assets less current liabilities			549,491		540,213
Capital and reserves					
Called up share capital	29		1		1
Share premium account			241,517		241,517
Profit and loss reserves			307,973		298,695
Total equity			549,491		540,213

As permitted by s408 Companies Act 2006, the company has not presented its own profit and loss account and related notes. The company's profit for the period was £9,278k (2016: profit £8,275k).

The financial statements were approved and signed by the director and authorised for issue on 4/2/19



Mr M Ashley
Director

Company Registration No. 06861426

MASH HOLDINGS LIMITED

GROUP STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30 APRIL 2017

	Share capital	Share premium account	Merger reserve	Own share reserve	Foreign currency translation reserve	Profit and loss reserves	Total controlling interest	Non-controlling interest	Total
Notes	£000	£000	£000	£000	£000	£000	£000	£000	£000
Balance at 29 April 2015	1	241,517	(239,498)	(13,251)	14,436	1,156,588	1,159,773	435,285	1,595,058
Period ended 26 April 2016:									
Profit for the period	-	-	-	-	-	79,804	79,804	126,014	205,818
Other comprehensive income:									
Exchange differences on translation of foreign operations	-	-	-	-	12,404	-	12,404	-	12,404
Taxation on other recognised gains and losses	-	-	-	-	-	34	34	-	34
Actuarial losses	-	-	-	-	-	(5)	(5)	-	(5)
Total comprehensive income for the period	-	-	-	-	12,404	79,833	92,237	126,014	218,251
Purchase of own shares	-	-	-	(29,438)	-	-	(29,438)	-	(29,438)
Vesting of share-based payments	-	-	-	8,963	-	(8,963)	-	-	-
Credit to equity for equity settled share-based payments	-	-	-	-	-	4,246	4,246	-	4,246
Current tax on share-based payment transactions	-	-	-	-	-	3,089	3,089	-	3,089
Acquisition of non-controlling interests	-	-	-	-	-	-	-	177	177
Balance at 26 April 2016	1	241,517	(239,498)	(33,726)	26,840	1,234,773	1,229,907	561,476	1,791,383

MASH HOLDINGS LIMITED

GROUP STATEMENT OF CHANGES IN EQUITY (CONTINUED) FOR THE PERIOD ENDED 30 APRIL 2017

	Share capital	Share premium account	Merger reserve	Own share reserve	Foreign currency translation reserve	Profit and loss reserves	Total controlling interest	Non-controlling interest	Total
Notes	£000	£000	£000	£000	£000	£000	£000	£000	£000
Period ended 30 April 2017:									
Profit for the period	-	-	-	-	-	(6,459)	(6,459)	58,381	51,922
Other comprehensive income:									
Exchange differences on translation of foreign operations	-	-	-	-	50,253	-	50,253	-	50,253
Actuarial losses	-	-	-	-	-	(8,779)	(8,779)	-	(8,779)
Taxation on other recognised gains and losses	-	-	-	-	-	(149)	(149)	-	(149)
Total comprehensive income for the period	-	-	-	-	50,253	(15,387)	34,866	58,381	93,247
Purchase of own shares	-	-	-	-	-	(165,799)	(165,799)	-	(165,799)
Disposal of non-controlling interests	-	-	-	-	-	-	-	(1,766)	(1,766)
Balance at 30 April 2017	1	241,517	(239,498)	(33,726)	77,093	1,053,587	1,098,974	618,091	1,717,065

MASH HOLDINGS LIMITED**COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 30 APRIL 2017**

	Share capital	Share premium account	Profit and loss reserves	Total
	£000	£000	£000	£000
Balance at 29 April 2015	1	241,517	290,420	531,938
Period ended 26 April 2016:				
Profit and total comprehensive income for the period	-	-	8,275	8,275
Balance at 26 April 2016	1	241,517	298,695	540,213
Period ended 30 April 2017:				
Profit and total comprehensive income for the period	-	-	9,278	9,278
Balance at 30 April 2017	1	241,517	307,973	549,491

MASH HOLDINGS LIMITED

GROUP STATEMENT OF CASH FLOWS

FOR THE PERIOD ENDED 30 APRIL 2017

	Notes	2017 £000	2016 £000
Cash flows from operating activities			
Cash generated from operations	41	273,216	242,352
Income taxes paid		(75,409)	(69,889)
Net cash inflow from operating activities		197,807	172,463
Investing activities			
Purchase of intangible assets		(63,335)	(83,433)
Proceeds on disposal of intangibles		82,005	11,168
Purchase of tangible fixed assets		(414,298)	(246,254)
Proceeds on disposal of tangible fixed assets		2,411	44,000
Payments to acquire listed investments		(24,742)	(89,213)
Purchase of subsidiaries		(8,100)	(24,013)
Proceeds on disposal of subsidiaries		109,682	-
Investment in associates		(9,001)	(9,078)
Proceeds on disposal of fixed asset investments		188,518	181,342
Other investments and loans made		(5,500)	-
Purchase of investment properties		(29,521)	-
Interest received		4,290	4,317
Other investment income received		516	2,778
Net cash used in investing activities		(167,075)	(208,386)
Financing activities			
Purchase of treasury shares		(109,800)	-
Repayment of borrowings		(360,105)	(71,797)
Borrowings drawn down		328,000	271,744
Interest paid		(9,940)	(7,783)
Net cash (used in)/generated from financing activities		(151,845)	192,164
Net (decrease)/increase in cash and cash equivalents		(121,113)	156,241
Cash and cash equivalents at beginning of period		335,392	179,151
Cash and cash equivalents at end of period		214,279	335,392

MASH HOLDINGS LIMITED

GROUP STATEMENT OF CASH FLOWS (CONTINUED)

FOR THE PERIOD ENDED 30 APRIL 2017

Notes	2017		2016	
	£000	£000	£000	£000
Relating to:				
Cash at bank and in hand		205,773		250,853
Short term deposits included in current asset investments		85,000		85,000
Bank overdrafts included in creditors payable within one year		(76,494)		(461)
		<u>214,279</u>		<u>335,392</u>

MASH HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 30 APRIL 2017

1 Accounting policies

Company information

MASH Holdings Group ("the company") is a company limited by shares and is incorporated in England and Wales. The registered office is: Grenville Court, Britwell Road, Burnham, SL1 8DF. The Group financial statements consolidate these of the Company and its subsidiaries (together referred to as 'the Group'). The results of subsidiaries acquired and sold are consolidated for the periods from or to the date on which control passed. Acquisitions are accounted for under the acquisition method. The Parent Company financial statements present information about the Company as a separate entity and not about its Group.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

These financial statements for the period ended 30 April 2017 are the first financial statements of MASH Holdings Limited prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 May 2014.

The accounting policies set out below have been applied consistently for the Group to all periods presented in these consolidated financial statements. The financial statements are prepared on the going concern basis, using the historical cost convention as modified by the revaluation of certain financial assets and liabilities measured at fair value. The company has taken advantage of the exemption in section 408 of the Companies Act 2006 from disclosing its individual profit and loss account. The financial statements have been prepared for the period 27 April 2016 to 30 April 2017. The comparative figures are for the period 29 April 2015 to 26 April 2016. The financial statements are presented in Pounds Sterling (£'000s).

The company has taken advantage of the exemption from preparing a statement of cash flows on the basis that it is a qualifying entity and the consolidated statement of cash flows, included in these financial statements, includes the company's cash flows.

The company has also taken advantage of the exemption from financial instrument disclosures, including:

- Categories of financial instruments;
- Items of income, expenses, gains or losses relating to financial instruments, and
- Exposure to and management of financial risks.

1.2 Prior period error

The 2016 balance sheet figures have been restated due to a loan of £8m to an associate being incorrectly shown as an investment in an associate. This has had no impact on the reported results of the group or company. Further details can be found in note 42 to the financial statements.

1.3 Basis of consolidation

The consolidated balance sheet and statement of comprehensive income include the accounts of the Company and its subsidiaries made up to the period end. All intra group trading has been eliminated. Interests in associates and joint ventures are equity accounted. The consolidated financial statements have been prepared in accordance with the principles of merger accounting; consequently the assets and liabilities of the subsidiaries have been included at the amount at which the subsidiaries recorded them in their books before the combinations. All intra-group transactions, balances, income and expenses are eliminated on consolidation. Adjustments are made to eliminate the profit or loss arising on the transactions with associates to the extent of the Group's interest in the entity. Where a subsidiary has different accounting policies to the group, adjustments are made to these subsidiaries' financial statements to apply the Group's accounting policies when preparing the consolidated financial statements.

MASH HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 APRIL 2017

1 Accounting policies

(Continued)

1.4 Going concern

The director has a reasonable expectation that the Group will be able to continue as a going concern for the foreseeable future, and for this reason he continues to adopt the going concern basis of accounting in preparing the financial statements. The director considers the foreseeable future to be 12 months from the date that the financial statements are signed.

The director has prepared financial forecasts and expects to maintain suitable financial facilities from the Group's bankers and ultimate shareholder to provide adequate ongoing finance consistent with these forecast requirements. The director has concluded that the Group remains a going concern and has accordingly prepared these financial statements on the going concern basis.

1.5 True and fair override

As the transactions to acquire the shares of both St James Holdings Limited and Sports Direct International plc did not alter the relative rights of the company's shareholder the recognition of goodwill is considered to be inappropriate.

The financial statements therefore present the assets and liabilities of the merged entities at the book values stated immediately before the mergers took place in 2009. If acquisition accounting had been adopted the assets and liabilities would be included at fair value and the difference between the fair value of the net assets acquired and the fair value of the shares issued would be goodwill. As the fair values have not been calculated the quantification of the effect of the true and fair override cannot be given.

1.6 Merger relief

Where the company acquired 100% of the shares of St James Holdings Limited by the issue of its own ordinary shares the conditions for merger relief under the Companies Act 2006 were met. The Company has chosen to account for this transaction at nominal value in the parent company financial statements and therefore recognises the cost of investment in St James Holdings Limited at the nominal amount of the shares issued. As a result no share premium or merger reserve arises.

1.7 Associates

Associates are entities over which the Group has significant influence but not control, generally accompanied by a share of between 20% and 50% of the voting rights.

The Group's share of the results of associates is included in the Group's consolidated profit and loss account using the equity method of accounting. Investments in associates are carried in the Group's consolidated balance sheet at cost plus post acquisition changes in the Group's share of the net assets of the associates, less any impairment in value. The carrying values of investments in associates include acquired goodwill.

Unrealised gains arising from transactions with associates are eliminated to the extent of the Group's interest in the entity.

1.8 Turnover

Revenue is recognised at the fair value of the consideration received or receivable and represents the amounts receivable for goods and services rendered net of returns, discounts and rebates allowed by the Group and Value Added Taxes. The Group recognises revenue when (a) the significant risks and rewards of ownership have been transferred to the buyer; (b) the Group retains no continuing involvement or control over the goods; (c) the amount of revenue can be measured reliably; (d) it is probable that future economic benefit will flow to the entity.

MASH HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 APRIL 2017

1 Accounting policies

(Continued)

Retailing and wholesale distribution of sports and leisure clothing

In the case of goods sold through retail stores, revenue is recognised at the point of sale of a product to the customer, less provision for returns. Accumulated experience is used to estimate and provide for such returns at the time of the sale. Retail sales are usually in cash, by debit card or by credit card. In the case of goods sold on the internet revenue is recognised at the point that the risks and rewards of the inventory have passed to the customer, which is the point of delivery to the customer. Transactions are settled by credit card or payment card. Provisions are made for internet credit notes based on the expected level of returns, which in turn is based upon the historical rate of returns. In the case of goods sold to other businesses via wholesale channels, revenue is recognised when the substantial risks and rewards of ownership are transferred to the customer.

Operation of professional football club and ancillary activities

Turnover represents income arising from sales to third parties, and excludes transfers fees receivable, which are dealt with in the profit and loss on disposal of players' registrations, and value added tax. Turnover in relation to the operation of the professional football club can be classified into three major streams, within which significant amounts are accounted for as follows:

Match Day

Season ticket and corporate hospitality revenue is recognised over the period of the football season as home matches are played. Any revenue recognised in respect of future matches is held as deferred income.

Media

Fixed elements of central broadcasting contracts are recognised over the period of the football season as league matches (home and away) are played. Television appearance fees are accounted for as earned. The merit based payment is recognised at the end of the league season, when the final league position is known.

Commercial

Sponsorship contracts are recognised over the duration of the contract, either on a straight-line basis, or over the period of the football season, as appropriate based on the terms of the contract. Catering revenues are recognised on an earned basis. Revenue from the sale of branded products is recognised at the point of despatch when significant risks and rewards or ownership are deemed to have been transferred to the buyer.

Licensing of group brands

Revenue granted from trademarks and licences is recognised on an accruals basis in accordance with the relevant agreements or on a transactional basis when revenue is linked to sale of purchase volumes.

Other investment activities

Revenue from other investment activities includes rental income derived from the letting of freehold property and is recognised on a straight line basis over the term of the lease.

MASH HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 30 APRIL 2017

1 Accounting policies

(Continued)

1.9 Acquired players' registrations

The costs of acquired player registrations, including agents' fees, are capitalised at cost at the date of acquisition as intangible assets and amortised over the period of the players' contracts, which are variable in length, with appropriate adjustments for any accumulated impairment losses which have taken place.

For the purpose of impairment reviews, acquired players registrations are classified as a single cash-generating unit until the point at which it is made clear that the player is no longer an active member of the playing squad. In these circumstances the carrying value of the player's registration is reviewed against a measurable net realisable value.

1.10 Contingent payments

Under the conditions of certain transfer agreements, further fees may become payable to the selling club in the event of the player concerned making a certain number of first team appearances, or on the occurrence of certain other specified future events. Liabilities in respect of these additional payments are accounted for when, in the opinion of the director, it becomes probable that the number of required appearances will be achieved or the specified future event will occur.

1.11 Signing on fees

Signing-on fees are initially recognised as intangible assets – player registrations. Signing-on fees are charged, on a straight-line basis, to the profit and loss account over the period of the player's contract. Prepayments/accruals arising at each period end are included within prepayments and accrued income or accruals within current assets or current liabilities, as appropriate. Where a player's registration is transferred, any signing on fees payable in respect of future periods are charged against the profit/(loss) on disposal of players' registrations in the period in which the disposal is recognised.

1.12 Deferred Income

Deferred income comprises amounts received from capital grants, sponsorship, corporate hospitality and season ticket income. Capital grants are released to the profit and loss account on a straight-line basis over the estimated useful lives of the assets to which they relate. Other deferred income is released to the profit and loss account on a straight-line basis over the period to which it relates.

1.13 Trademarks and licences

The cost of acquiring trademarks and licences is capitalised together with any direct costs of acquisition. The amount arising is amortised on a straight line basis over the estimated useful life of between 10 and 15 years.

1.14 Goodwill

On acquisition of a subsidiary or associated undertaking, the fair value of the consideration is allocated between the identifiable net tangible and intangible assets and liabilities on a fair value basis, with any excess consideration representing goodwill. Goodwill in respect of subsidiaries is included within intangible fixed assets. Goodwill relating to associated undertakings is included in the carrying value of the associated undertaking.

Goodwill arising on acquisitions is capitalised as an asset on the balance sheet. Where goodwill is regarded as having a finite useful economic life it is amortised on a straight line basis over its estimated life, not exceeding 10 years. Impairment reviews are carried out at the end of the first full year of ownership and at other times if there are indications that the carrying value may not be supportable. The need for impairment is tested by comparing the market value of the cash-generating unit (CGU) to the carrying value. Any impairment is recognised immediately in the income statement. Impairment losses on goodwill are not reversed.

MASH HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 30 APRIL 2017

1 Accounting policies

(Continued)

1.15 Investments

Investments in subsidiaries are stated at cost. Impairment reviews are carried out whenever there is an indication that the carrying rate of an investment may not be supportable.

1.16 Tangible fixed assets

Tangible fixed assets are stated at cost, net of accumulated depreciation. Finance costs, including interest, are capitalised as part of the initial cost of an asset where relevant.

Depreciation on tangible fixed assets is provided at the rates indicated below, to write off the cost or valuation of assets, less estimated residual value, over their useful lives:

Freehold land and buildings	2%
Leasehold land and buildings	Over the shorter of the unexpired term of the lease and 50 years
Plant and equipment	3 - 15 years

No depreciation is provided on freehold land or assets in the course of construction. The residual value is reassessed annually.

Certain of the group's properties are held for long-term investment. Investment properties are accounted for as follows:

Investment properties are initially recognised as cost which includes purchase cost and any directly attributable expenditure. Investment properties whose fair value can be measured reliably are measured at fair value. The surplus or deficit on revaluation is recognised in the profit and loss account accumulated in the profit and loss reserve.

1.17 Interest Income

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount.

1.18 Borrowing costs related to fixed assets

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

1.19 Stocks

Stock, which comprises goods for resale, is valued at the lower of cost and net realisable value. Cost includes the purchase price of manufactured products, materials, direct labour, transport costs and a proportion of applicable overheads. Cost is calculated using FIFO (first in, first out). Net realisable value is based on the estimated selling price less all estimated selling costs.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

MASH HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 APRIL 2017

1 Accounting policies

(Continued)

1.20 Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.21 Financial instruments

Financial instruments are recognised in the group's balance sheet when the group becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally 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.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Impairment of financial assets

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the group transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities.

MASH HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 APRIL 2017

1 Accounting policies

(Continued)

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Other financial liabilities

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Derecognition of financial liabilities

Financial liabilities are derecognised when the group's contractual obligations expire or are discharged or cancelled.

1.22 Taxation

Current tax

Current tax is the amount of income tax payable in respect of the taxable profit for the period or prior periods. Tax is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the period end.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date, which will result in an obligation to pay more, or a right to pay less tax in the future.

Deferred tax assets are recognised on an undiscounted basis when it is more likely than not that they will be recovered. Deferred tax is measured using rates enacted or substantially enacted at the balance sheet dates that are expected to apply in the period in which the continuing difference reverses.

MASH HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 APRIL 2017

1 Accounting policies

(Continued)

1.23 Provisions

A provision is recognised when the Group has a legal or constructive present obligation as a result of a past event, it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The Group provides for dilapidations costs following advice from chartered surveyors and previous experience of exit costs. The estimated costs of fulfilling the leasehold dilapidations obligations is discounted to present value and analysed between non-capital and capital components. The capital element is recognised as a decommissioning cost and depreciated over the life of the asset. The non-capital element is taken to the profit and loss account in the first year of the lease where the cost it represents is of no lasting benefit to the Group or its landlord. 'Wear and tear' costs are expensed to the profit and loss account. Provisions for onerous lease contracts are recognised when the Group believes the unavoidable costs of meeting the lease obligations exceed the economic benefits expected to be received under the lease.

1.24 Share capital

Ordinary shares are classified as equity.

1.25 Share-based payments

The Sports Direct Group issues equity-settled share-based payments to certain directors and employees. These are measured at fair value at the date of grant, which is expensed to the consolidated profit and loss account on a straight-line basis over the vesting period, with the corresponding credit going to equity. The company does not issue any equity-settled share-based payment.

Fair value is based on the market share price on the grant date and the likelihood of meeting the vesting targets. The expected staff numbers used in the model have been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions, and behavioural considerations. The credit for the share based payment charge does not equal the charge per the income statement as it excludes amounts recognised in the balance sheet in relation to the expected national insurance contributions for the shares and a transfer of accrued national insurance contributions in respect of previous years' charges which had previously been recognised in equity. The amount transferred is not material to the financial statements.

MASH HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 APRIL 2017

1 Accounting policies

(Continued)

1.26 Leases

Leases of property, plant and equipment where the Group has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's inception at the lower of the fair value of the leased asset and the present value of the minimum lease payments. Each lease payment is allocated between the liability and finance charges so as to achieve a constant rate on the finance balance outstanding. The asset subject to the finance lease is depreciated over the shorter of its useful life and the lease term. The corresponding rental obligations, net of finance charges, are included as a liability.

Leases of property, plant and equipment where the Group does not have substantially all the risks and rewards of ownership are classified as operating leases. Payments made under operating leases are charged to the income statement on a straight-line basis over the lease term. Incentives provided by the lessor are credited to the income statement on a straight-line basis over the minimum lease term.

Contingent rental payments, above standard payments, are conditional on the Group's operating performance derived from the lease item, (e.g. turnover levels). These are expensed in the period in which they are incurred.

Rental income from operating leases where the Group acts as a lessor is recognised on a straight-line basis over the term of the relevant lease.

1.27 Exceptional items

The Group presents as exceptional items on the face of the statement of comprehensive income those material items of income and expense which, because of their size, nature and infrequency of the events giving rise to them, merit separate presentation to allow shareholders to understand better the elements of financial performance in the year, so as to facilitate comparison with prior periods to assess trends in financial performance more readily.

1.28 Foreign currencies

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the profit and loss account for the period.

MASH HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 30 APRIL 2017

1 Accounting policies

(Continued)

1.29 Pensions

Defined Contribution Plan

The Group operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. Once the contributions have been paid the Group has no further payment obligations. Obligations for contributions to defined contribution pension plans are recognised as an expense in the profit and loss account as incurred.

Defined Benefit Scheme

In relation to its defined benefit schemes, the Group recognises in its balance sheet the present value of its defined benefit obligations less the fair value of plan assets. The current service cost is charged against operating profit. Interest on the scheme liabilities is included in finance costs and the expected return on scheme assets is included in finance income.

The defined benefit obligation is calculated at each period end by independent actuaries using the projected unit credit method. The present value of the obligation is determined by discounting the estimated future cash outflows using interest rates of high quality corporate bonds that are denominated in the currency in which the benefits will be paid and which have terms to maturity approximating the terms of the related pension liabilities. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are reflected within other comprehensive income in the consolidated statement of comprehensive income in the period in which they arise.

Football League Limited Pension and Life Assurance Scheme

Certain employees are members of the Football League Limited Pension and Life Assurance Scheme (FLLPLAS), a defined benefit scheme. As the Group is one of a number of participating employers in FLLPLAS, it is not possible to accrue any actuarial surplus or deficit on a meaningful basis. The assets of the scheme are held separately from those of the Group, being invested with insurance companies. Under the provisions of FRS 102 the scheme is treated as a defined contribution multi-employer scheme, and the contributions are charged to the profit and loss account as incurred. As one of a number of participating employers the Group is advised only of its share of the scheme's deficit. Its share of the underlying assets and liabilities of the scheme cannot be identified on a reasonable and consistent basis.

MASH HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 APRIL 2017

2 Judgements and key sources of estimation uncertainty

Critical Judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The critical accounting estimates and judgements made by the Group regarding the future or other key sources of estimation, uncertainty and judgement that may have a significant risk of giving rise to a material adjustment to the carrying values of assets and liabilities within the next financial year are as follows:

Impairment of goodwill

The calculation for considering the impairment of the carrying amount of goodwill requires a comparison of the present value of the CGU's to which the goodwill has been allocated to the value of goodwill and associated assets in the balance sheet. The calculations of present values requires an estimation of the future cash flows expected to arise from the CGU's and the selection of a suitable discount rate.

Impairment of other intangible assets

The calculation for considering the impairment of the carrying amount of goodwill requires a comparison of the present value of the CGU's to which the goodwill has been allocated to the value of goodwill and associated assets in the balance sheet. The calculation of present values requires an estimation of the future cash flows expected to arise from the CGU's and the selection of a suitable discount rate as set out in Note 13.

Useful economic life of intangible assets

For intangible assets which have a finite life, the director revisits their estimate of useful economic life at each period end and revise accordingly. Licences and trademarks typically have a life of between 5 and 15 years as set out in Note 13.

Identification and valuation of acquired assets

On acquisition, each material separable asset is identified and valued by the Directors. Any such calculation is judgemental in nature as it is based on a valuation methodology. Brand valuations are typically valued using the relief from royalty valuation methodology. Property valuations are typically valued based on realisable value.

Impairment

The Director reviews the carrying amounts of the Group's tangible assets to determine whether there is an indication that those assets have suffered an impairment loss.

MASH HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 30 APRIL 2017

2 Judgements and key sources of estimation uncertainty

(Continued)

Provision for obsolete, slow-moving or defective stocks

The Director has applied his knowledge and experience of the retail industry in determining the level and rates of provisioning required in calculating the appropriate inventory carrying values. The provision includes estimates for shrinkage, spoilage and slow-moving items depending on the age and current selling prices of the individual stock items.

Financial position of retirement benefit plans

The net defined benefit pension plan assets or liabilities are recognised in the Group's balance sheet. The determination of the financial position requires assumptions to be made regarding inter alia future salary increases, mortality, discount rates and inflation. The key assumptions made in relation to the pension plan are set out in note 28.

Provision for dilapidation and onerous lease contracts

The basis of the estimation of the provisioning for dilapidations and onerous lease contracts is detailed in the provisions accounting policy. Estimates and judgements are continually evaluated and are based on historical experience, external advice and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Where an onerous lease has been identified, the assets dedicated to that contract are impaired.

Calculation of share scheme charge

A share-based payment charge is recognised in respect of share awards based on the director's best estimate of the number of shares that will vest. The charge is calculated based on the fair value on the grant date, which is deemed to be the date on which the entity and counterparty reached a shared understanding of the scheme.

Valuation of investments

Where market data is not available to assist in valuing investments, management estimate the fair value of the enterprise based on the current performance and financial position of the relevant company.

3 Turnover and other revenue

An analysis of the group's turnover is as follows:

	2017 £000	2016 £000
Turnover analysed by class of business		
Retail	3,245,272	2,904,326
Football Club	91,804	131,067
Other	266	111
	<u>3,337,342</u>	<u>3,035,504</u>

MASH HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 30 APRIL 2017

3 Turnover and other revenue (Continued)

	2017 £000	2016 £000
Turnover analysed by geographical market		
United Kingdom	2,671,686	2,412,337
Rest of the World	665,656	623,167
	<u>3,337,342</u>	<u>3,035,504</u>

4 Exceptional costs	2017 £000	2016 £000
Profit on sale of freehold property	-	13,541
Other provisions	-	(5,756)
Impairment and accelerated depreciation and amortisation	-	(60,707)
Impairment of brands	(17,258)	-
	<u>(17,258)</u>	<u>(52,922)</u>

The impairment mainly relates to intangible values of own brands which are no longer considered core brands.

In the prior period, the profit on sale of freehold property relates to the sale of a freehold property for £44m, realising a profit of £13.5m. In the prior year, the profit on disposal related to the sale of a warehouse.

5 Operating profit

	2017 £000	2016 £000
Operating profit for the period is stated after charging:		
Depreciation of owned tangible fixed assets	143,626	92,353
Amortisation of intangible assets	65,276	62,986
Impairment of intangible assets	-	52,059
Share-based payments	2,800	7,077
Operating lease charges	<u>194,693</u>	<u>135,182</u>

MASH HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 APRIL 2017

6 Auditor's remuneration

	2017 £000	2016 £000
Fees payable to the company's auditor and associates:		
For audit services		
Audit of the financial statements of the group and company	25	25
Audit of the financial statements of the company's subsidiaries	1,412	1,046
	<u>1,437</u>	<u>1,071</u>
For other services		
Audit-related assurance services	107	-
Taxation compliance services	300	87
Taxation advisory services	2,500	970
All other non-audit services	1,300	490
	<u>4,207</u>	<u>1,547</u>

7 Employees

The average monthly number of persons (including directors) employed by the group and company during the period was:

	Group 2017 Number	2016 Number	Company 2017 Number	2016 Number
Playing squad and team management	150	126	-	-
Commercial	43	35	-	-
Retail stores	13,716	14,579	-	-
Administration	3,725	3,793	1	1
	<u>17,634</u>	<u>18,533</u>	<u>1</u>	<u>1</u>

Their aggregate remuneration comprised:

	Group 2017 £000	2016 £000	Company 2017 £000	2016 £000
Wages and salaries	459,288	379,068	-	-
Social security costs	43,018	38,650	-	-
Pension costs	3,311	1,878	-	-
	<u>505,617</u>	<u>419,596</u>	<u>-</u>	<u>-</u>

8 Director's remuneration

The director received no remuneration in the period (2016: £nil).

MASH HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 APRIL 2017

9 Interest receivable and similar income

	2017 £000	2016 £000
Interest income		
Interest on bank deposits	2,727	4,298
Other interest income	1,563	19
Total interest income	4,290	4,317
Income from fixed asset investments		
Income from other fixed asset investments	162,376	148,148
Total income	166,666	152,465

10 Interest payable and similar expenses

	2017 £000	2016 £000
Interest on financial liabilities measured at amortised cost:		
Interest on bank overdrafts and loans	-	7,512
Investment costs	51,296	6,863
	51,296	14,375
Other finance (income) and costs:		
Interest of finance leases	-	592
Exchange differences on financing transactions	(18,305)	-
Interest on retirement benefit obligations	9,804	426
Total net interest payable and similar expenses	42,795	15,393

11 Taxation

	2017 £000	2016 £000
Current tax		
UK corporation tax on profits for the current period	41,016	88,230
Adjustments in respect of prior periods	(17)	295
Total current tax	40,999	88,525
Deferred tax		
Origination and reversal of timing differences	9,595	(16,607)
Total tax charge for the period	50,594	71,918

MASH HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 APRIL 2017

11 Taxation

(Continued)

The actual charge for the period can be reconciled to the expected charge based on the profit or loss and the standard rate of tax as follows:

	2017 £000	2016 £000
Profit before taxation	102,516	277,736
Expected tax charge based on the standard rate of corporation tax in the UK of 19.92% (2016: 20.00%)	20,421	55,547
Tax effect of expenses that are not deductible in determining taxable profit	20,816	8,496
Tax effect of income not taxable in determining taxable profit	(37,100)	-
Unutilised tax losses carried forward	6,700	-
Adjustments in respect of prior years	(20,092)	618
Effect of change in corporation tax rate	1,100	344
Effect of revaluations of investments	27,619	-
Other non-reversing timing differences	-	800
Deferred tax adjustments in respect of prior years	21,300	-
Unrelieved foreign tax losses	3,228	6,113
Other tax adjustments	6,602	-
Taxation charge for the period	50,594	71,918

In addition to the amount charged to the profit and loss account, the following amounts relating to tax have been recognised directly in other comprehensive income:

	2017 £000	2016 £000
Current tax arising on:		
Actuarial differences recognised as other comprehensive income	149	(34)

Changes to the UK corporation tax rates were substantively enacted as part of Finance Bill 2015 on 26 October 2015. These include reductions to the main rate to reduce the rate to 19% from 1 April 2017 and to 18% from 1 April 2020. Deferred taxes at the balance sheet date have been measured using these enacted tax rates and reflected in these financial statements.

Non-taxable income includes disposal of subsidiaries and investments that qualify for Substantial Shareholder Relief. Prior period adjustments include income that is now considered to qualify for substantial shareholder relief, and a reduction in deferred tax assets for overseas losses no longer considered recoverable. Expenses not deductible for tax purposes include non-qualifying depreciation and goodwill impairments.

12 Profit/loss for the financial period

The parent company has taken advantage of Section 408 of the Companies Act 2006 and has not included its own profit and loss account in these financial statements. The profit for the period of the company was £9,278,057 (2016: £8,275,688).

MASH HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 APRIL 2017

13 Intangible fixed assets

Group	Goodwill	Patents & licences	Development costs	Players' registrations	Total
	£000	£000	£000	£000	£000
Cost					
At 27 April 2016	429,321	62,198	13	168,942	660,474
Additions - separately acquired	-	7,415	66	63,269	70,750
Disposals	(20,000)	(4,032)	(5)	(80,452)	(104,489)
Exchange adjustments	7,755	9,535	-	-	17,290
At 30 April 2017	417,076	75,116	74	151,759	644,025
Amortisation and impairment					
At 27 April 2016	235,030	57,933	7	64,796	357,766
Amortisation charged for the period	21,457	10,465	25	33,329	65,276
Disposals	-	(2,272)	-	(41,503)	(43,775)
Exchange adjustments	1,063	188	-	-	1,251
At 30 April 2017	257,550	66,314	32	56,622	380,518
Carrying amount					
At 30 April 2017	159,526	8,802	42	95,137	263,507
At 26 April 2016	194,291	4,265	6	104,146	302,708

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

Impairment is calculated by comparing the carrying amounts to the value in use derived from discounted cash flow projections for each CGU to which the intangibles assets are allocated. A CGU is deemed to be an individual fascia or brand and these have been grouped together into similar classes for the purpose of formulating operating segments. The recoverable amount of CGUs was £392m.

The key assumptions, which are equally applicable to each CGU, in the cash flow projections used to support the carrying amount of goodwill and intangibles with indefinite lives as at 30 April 2017 were as follows:

MASH HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 APRIL 2017

13 Intangible fixed assets

(Continued)

	UK Sports Retail	International Retail	Brands (excl. Everlast)	Everlast
Sales growth	0% - 5%	0% - 5%	0% - 2%	0% - 5%
Terminal sales growth	2%.	2%.	0%.	2%.
Gross margin	35% - 50%	35% - 50%	30% - 40%	20% - 30%
Capital expenditure	Nil - £1m	Nil - £1m	Nil - £1m	Nil - £1m
Discount rates	6.3%.	6.3%.	6.3%.	11.0%.

The pre-tax Group Weighted Average Cost of Capital is used in Sports Retail, Premium Lifestyle and Brands (excl. Everlast) as these CGU's are considered to have similar risk profiles. The pre-tax WACC is used as the discount rate.

The key assumptions are based on management's historical experience and future plans for each CGU.

A reasonably possible change in any key assumptions would not cause the carrying value of any CGU to exceed its recoverable amount.

The intangible assets that have an indefinite life are brands and trading names and are considered to have an indefinite life on the grounds of the proven longevity of the brands and trading names and the Group's commitment to maintaining those brands.

All key assumptions are consistent with known external sources of information.

MASH HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 APRIL 2017

14 Tangible fixed assets

Group	Freehold land and buildings	Leasehold land and buildings	Plant and equipment	Total
	£000	£000	£000	£000
Cost				
At 27 April 2016	433,565	277,454	579,275	1,290,294
Additions	289,829	42,441	88,017	420,287
Disposals	(10,633)	(7,378)	(42,719)	(60,730)
Exchange adjustments	7,649	1,667	8,753	18,069
Interest costs capitalised	-	663	-	663
At 30 April 2017	720,410	314,847	633,326	1,668,583
Depreciation and impairment				
At 27 April 2016	74,829	141,719	420,256	636,804
Depreciation charged in the period	41,740	20,919	80,967	143,626
Eliminated in respect of disposals	(5,869)	-	(37,503)	(43,372)
Exchange adjustments	(285)	6	1,353	1,074
At 30 April 2017	110,415	162,644	465,073	738,132
Carrying amount				
At 30 April 2017	609,995	152,203	168,253	930,451
At 26 April 2016	358,736	135,735	159,019	653,490

The company had no tangible fixed assets at 30 April 2017 or 26 April 2016.

15 Investment property

	Group 2017 £000	Company 2017 £000
Fair value		
At 27 April 2016	42,566	-
Additions through external acquisition	24,396	-
Exchange adjustment	(893)	-
At 30 April 2017	66,069	-

Investment property comprises the freehold property held by MASH (Timber Street) Limited and MASH Miami Inc. The fair value of the investment property has been arrived at on the basis of a valuation carried out by Central London Projects. The valuation was made on an open market value basis by reference to market evidence of transaction prices for similar properties.

MASH HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 30 APRIL 2017

16 Fixed asset investments

	Notes	Group 2017 £000	2016 as restated £000	Company 2017 £000	2016 as restated £000
Investments in subsidiaries	17	-	-	42,705	42,705
Investments in associates	18	26,449	16,635	-	-
Listed investments		63,904	193,355	-	-
Other investments		3,529	1,098	3,530	1,848
		<u>93,882</u>	<u>211,088</u>	<u>46,235</u>	<u>44,553</u>

The market value of the investment in the subsidiary company, Sports Direct International plc was £87m at 30 April 2017.

MASH HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 APRIL 2017

17 Subsidiaries

Details of the company's subsidiaries at 30 April 2017 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held Direct
Sports Direct International plc	England & Wales	Activities of head offices	Ordinary	58.00
3237303 Canada Inc	Canada	Dormant	Ordinary	100.00
Acre 653 Limited	England & Wales	Non trading	Ordinary	100.00
Activator Brands Limited	England & Wales	Dormant	Ordinary	100.00
Activator Products Limited	England & Wales	Other business support service activities	Ordinary	100.00
Active Apparel New Corp	United States		Ordinary	100.00
American Fitness Products Inc	United States		Ordinary	100.00
Antigua Enterprises Inc	United States		Ordinary	100.00
AP Brands Holdings Ltd	Malaysia	Dormant	Ordinary	100.00
Beauty Brand Management Limited	England & Wales	Retail sale of cosmetics	Ordinary	100.00
Bellatrix Associates Limited	Isle of Man	Dormant	Ordinary	100.00
Bellatrix Unlimited	Isle of Man	Dormant	Ordinary	100.00
Brands & Fashion NV	Belgium		Ordinary	100.00
Brands 001 Limited	England & Wales	Dormant	Ordinary	100.00
Brands Africa Limited	England & Wales	Dormant	Ordinary	100.00
Brands Holdings Limited	England & Wales	Activities of holding company	Ordinary	100.00
Brands Inc Limited	England & Wales	Wholesale of clothing	Ordinary	100.00
Cafico - Comercio de Artigos de Desportos S.A.	Portugal		Ordinary	50.00
Campri Limited	England & Wales	Dormant	Ordinary	100.00
Carlton Shuttlecocks Limited	England & Wales	Non trading	Ordinary	100.00
Carlton Sports Company Limited	England & Wales	Non trading	Ordinary	100.00
CDS IP SA	Belgium		Ordinary	100.00
Climber & Rambler Limited	England & Wales	Dormant	Ordinary	100.00
Cruise Clothing Limited	Scotland		Ordinary	100.00
David Geoffrey & Associates (UK) Ltd	England & Wales	Non trading	Ordinary	100.00
Direct Fishing Limited	England & Wales	Other retail sale	Ordinary	100.00
Donnay International N.V.	Belgium		Ordinary	100.00
DSGL Sponsorship Limited	England & Wales	Media representation services	Ordinary	100.00
Double Take Limited	England & Wales	Manufacture of perfumes	Ordinary	100.00
SC (ESOP) Limited	England & Wales	Non trading	Ordinary	100.00
SC (Subco 2016) Limited	England & Wales	Dormant	Ordinary	100.00

MASH HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 APRIL 2017

17 Subsidiaries

(Continued)

SC (Trustco 2016) Limited	England & Wales	Non trading	Ordinary	100.00
SDI Sports (SC 2016) Limited	England & Wales	Non trading	Ordinary	100.00
Eastchance Limited	Hong Kong		Ordinary	100.00
Etail Services Limited	England & Wales	Agents involved in sale of clothing	Ordinary	100.00
European Branded Clearance Company Ltd	England & Wales	Wholesale of clothing	Ordinary	100.00
Everlast Australia Limited	England & Wales	Other service activities	Ordinary	100.00
Everlast Fitness Mfg. Corp	United States		Ordinary	100.00
Everlast Sports International Inc. Corp	United States		Ordinary	100.00
Everlast Sports Mfg. Corp	United States		Ordinary	100.00
Everlast World Boxing Hdqtrs Corp	United States		Ordinary	100.00
Everlast Worldwide Acquisitions Inc	United States		Ordinary	100.00
Everlast Worldwide Inc	United States		Ordinary	100.00
Exsports Limited	England & Wales	Retail sale of clothing	Ordinary	100.00
Feniger And Blackburn Limited	England & Wales	Non trading	Ordinary	100.00
Field & Trek (UK) Ltd	England & Wales	Retail sale of clothing	Ordinary	100.00
Field & Trek.Com Limited	England & Wales	Dormant	Ordinary	100.00
Flretrap Limited	England & Wales	Retail sale of clothing	Ordinary	100.00
Forever Sports Limited	England & Wales	Dormant	Ordinary	100.00
Gaelic Boots Limited	ROI	Dormant	Ordinary	100.00
Gelert IP Limited	England & Wales	Non trading	Ordinary	100.00
Gelert Limited	England & Wales	Wholesale of clothing	Ordinary	100.00
Golddigga Brands Limited	England & Wales	Other retail sale	Ordinary	100.00
Goudie Squash International Limited	England & Wales	Non trading	Ordinary	100.00
Gradidges Limited	England & Wales	Non trading	Ordinary	100.00
Graduate Clothing Limited	England & Wales	Dormant	Ordinary	91.00
Gul IP Limited	England and Wales	Non trading	Ordinary	100.00
Gul Watersports Limited	England & Wales	Wholesale of clothing	Ordinary	100.00
Heatons Limited	Ireland		Ordinary	100.00
Heaven or Hell Limited	England & Wales	Retail sale of clothing	Ordinary	51.00
HK Sports & Golf Aktiebolag	Sweden		Ordinary	100.00
Hot Tuna IP Limited	England & Wales	Non trading	Ordinary	100.00
IBML Brand Services SA (Pty) Limited	South Africa		Ordinary	100.00
International Brand Management Ltd	England & Wales	Other service activities	Ordinary	100.00
James Lillywhites Limited	England & Wales	Non trading	Ordinary	100.00
Kangol Holdings Limited	England & Wales	Activities of head offices	Ordinary	100.00
Kangol Limited	England & Wales	Other business support service activities	Ordinary	100.00

MASH HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 APRIL 2017

17 Subsidiaries					(Continued)
Kangol Trustees Limited	England & Wales	Dormant	Ordinary		100.00
Karrimor Limited	England & Wales	Wholesale of clothing	Ordinary		100.00
La Jolla (UK) Limited	England & Wales	Non trading	Ordinary		100.00
Lillywhites Limited	England & Wales	Retail of sale of sports goods	Ordinary		100.00
Litesome Sportswear Limited	England & Wales	Non trading	Ordinary		100.00
Lonsdale Australia Limited	England & Wales	Other service activities	Ordinary		100.00
Lonsdale Boxing Limited	England & Wales	Retail sale of footwear	Ordinary		100.00
Lonsdale Sports Limited	England & Wales	Other retail sale	Ordinary		100.00
Mash Alpha Limited	England & Wales	Activities of holding company	Ordinary		100.00
Mash Beta Limited	England & Wales	Activities of holding company	Ordinary		74.00
Mash Miami Inc	United States		Ordinary		100.00
Mash (Timber Street) Limited	England & Wales	Other letting of real estate	Ordinary		100.00
Masters Holders Limited	England & Wales	Non trading	Ordinary		100.00
McGrove Developments Limited	England & Wales	Development of building projects	Ordinary		50.00
Megavalue.com Limited	England & Wales	Dormant	Ordinary		100.00
Megavaluedirect.com Limited	England & Wales	Dormant	Ordinary		100.00
Mississippi Manufacturing LLC	United States		Ordinary		100.00
MST Sports Retail Sdn Bhd	Malaysia		Ordinary		51.00
Muddyfox Limited	England & Wales	Dormant	Ordinary		100.00
NDS ehf	Iceland		Ordinary		100.00
Nevica IP Limited	England & Wales	Dormant	Ordinary		100.00
Newcastle United Limited	England & Wales	Operation of sports facilities	Ordinary		100.00
Newcastle United Football Company Ltd	England & Wales	Operation of sports facilities	Ordinary		100.00
Newcastle United Enterprises Limited	England & Wales	Other business support service activities	Ordinary		100.00
Newcastle United Football Club (Int'l) Ltd	England & Wales	Operation of sports facilities	Ordinary		100.00
nufc.co.uk Limited	England & Wales	Other sports activities	Ordinary		100.00
Newcastle United 1892 Limited	England & Wales	Non trading	Ordinary		100.00
Newcastle United Catering Limited	England & Wales	Non trading	Ordinary		100.00
Newcastle United Employment Limited	England & Wales	Non trading	Ordinary		100.00
Newcastle United Entertainment Limited	England & Wales	Non trading	Ordinary		100.00
Newcastle United Group Limited	England & Wales	Non trading	Ordinary		100.00
Newcastle United Licensing Limited	England & Wales	Non trading	Ordinary		100.00

MASH HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 APRIL 2017

17 Subsidiaries

(Continued)

Newcastle United Promotions Limited	England & Wales	Non trading	Ordinary	100.00
Newcastle United Sports Limited	England & Wales	Non trading	Ordinary	100.00
Newcastle United Sportswear Limited	England & Wales	Non trading	Ordinary	100.00
Newcastle United Telecoms Limited	England & Wales	Non trading	Ordinary	100.00
Newcastle United Television Limited	England & Wales	Non trading	Ordinary	100.00
Newcastle United Ventures Limited	England & Wales	Non trading	Ordinary	100.00
NUFC Limited	England & Wales	Non trading	Ordinary	100.00
Newcastle United FC Limited	England & Wales	Operation of sports facilities	Ordinary	100.00
Newcastle United Football Club Limited	England & Wales	Operation of sports facilities	Ordinary	100.00
Newcastle United Foundation	England & Wales	Other sports activities	Ordinary	100.00
Newcastle (NUFC Holdings) Limited	England & Wales		Ordinary	100.00
Newcastle United Management Co Ltd	England & Wales		Ordinary	100.00
No Fear Brand Limited	England & Wales	Dormant	Ordinary	100.00
No Fear International Limited	England & Wales	Leasing of intellectual property	Ordinary	100.00
No Fear USA Limited	England & Wales	Other service activities	Ordinary	100.00
Oldco 10 Limited	England & Wales	Other business support service activities	Ordinary	100.00
Olympus Ventures Limited	England & Wales	Non trading	Ordinary	100.00
Ortus Secured Finance III Limited	England & Wales	Other credit granting	Ordinary	50.00
Outdoor Sports Direct Limited	England & Wales	Non trading	Ordinary	100.00
P W P Sportbase Limited	England & Wales	Retail sale of sports goods	Ordinary	100.00
Paddle Sport Limited	England & Wales	Dormant	Ordinary	100.00
Project J Newco No. 39 Limited	England & Wales	Other business support service activities	Ordinary	100.00
Project J Newco No.40 Limited	England & Wales	Other business support service activities	Ordinary	100.00
Propeller (HK) Limited	Hong Kong		Ordinary	100.00
Propeller (U.K.) Limited	England & Wales	Non trading	Ordinary	100.00
Queensbury Boxing IP Limited	England & Wales		Ordinary	100.00
Queensbury Rules Limited	England & Wales		Ordinary	100.00
Radar Radio Limited	England & Wales	Radio broadcasting	Ordinary	100.00
Rangers Retail Limited	England & Wales	Other retail sale	Ordinary	74.00
RR Limited	England & Wales	Non trading	Ordinary	100.00
Republic IP Limited	England & Wales	Non trading	Ordinary	100.00
Republic.com Retail Limited	England & Wales	Retail sale of clothing	Ordinary	100.00

MASH HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 APRIL 2017

17 Subsidiaries

(Continued)

Robinsons Country Leisure Limited	England & Wales	Retail sale of sports goods	Ordinary	51.00
S&B Brands Limited	England & Wales	Dormant	Ordinary	100.00
SD Equestrian Limited	England & Wales	Non trading	Ordinary	100.00
SD Outdoor IP Limited	England & Wales	Non trading	Ordinary	100.00
SD Outdoor Limited	England & Wales	Activities of holding company	Ordinary	51.00
SDB 2 S.A.	Belgium		Ordinary	100.00
SDI (Aberwyswyth) Limited	England & Wales	Other letting of real estate	Ordinary	100.00
SDI (Aintree) Limited	England & Wales	Other letting of real estate	Ordinary	100.00
SDI (Ashington) Limited	England & Wales	Other letting of real estate	Ordinary	100.00
SDI (Ashford) Limited	England & Wales	Non trading	Ordinary	100.00
SDI (Ayr) Limited	England & Wales	Other letting of real estate	Ordinary	100.00
SDI (Bangor) Limited	England & Wales	Other letting of real estate	Ordinary	100.00
SDI (Barrow in Furness) Limited	England & Wales	Other letting of real estate	Ordinary	100.00
SDI (Aberdeen) Limited	England & Wales	Other letting of real estate	Ordinary	100.00
SDI (Beddgelert) Limited	England & Wales	Non trading	Ordinary	100.00
SDI (Berwick) Limited	England & Wales	Other letting of real estate	Ordinary	100.00
SDI (Betws-y-Coed)	England & Wales	Dormant	Ordinary	100.00
SDI (Birkenhead) Limited	England & Wales	Other letting of real estate	Ordinary	100.00
SDI (Bishop Auckland) Limited	England & Wales	Other letting of real estate	Ordinary	100.00
SDI (Bridgwater) Limited	England & Wales	Other letting of real estate	Ordinary	100.00
SDI (Brook EU) Limited	England & Wales	Retail sale of sports goods	Ordinary	100.00
SDI (Brook ROW) Limited	England & Wales	Non trading	Ordinary	100.00
SDI (Brook UK) Limited	England & Wales	Retail sale of sports goods	Ordinary	100.00
SDI (Burton) Limited	England & Wales	Other letting of real estate	Ordinary	100.00
SDI (Carlisle) Limited	England & Wales	Other letting of real estate	Ordinary	100.00
SDI (Chatham) Limited	England & Wales	Other letting of real estate	Ordinary	100.00
SDI (Clacton) Limited	England & Wales	Other letting of real estate	Ordinary	100.00
SDI (Colchester) Limited	England & Wales	Other letting of real estate	Ordinary	100.00
SDI (Dunfermline) Limited	England & Wales	Other letting of real estate	Ordinary	100.00

MASH HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 APRIL 2017

17 Subsidiaries

(Continued)

SDI (East Kilbride) Limited	England & Wales	Other letting of Ordinary real estate	100.00
SDI (Doncaster Wheatley) Limited	England & Wales	Dormant Ordinary	100.00
SDI (Watford) Limited	England & Wales	Dormant Ordinary	100.00
SDI (Fulham) Limited	England & Wales	Other letting of Ordinary real estate	100.00
SDI (Gainsborough) Limited	England & Wales	Other letting of Ordinary real estate	100.00
SDI (Galashiels) Limited	England & Wales	Other letting of Ordinary real estate	100.00
SDI (Gloucester) Limited	England & Wales	Non trading Ordinary	100.00
SDI (Hartlepool) Limited	England & Wales	Other letting of Ordinary real estate	100.00
SDI (Hastings) Limited	England & Wales	Non trading Ordinary	100.00
SDI (Hofco) Limited	England & Wales	Activities of holding companies	100.00
SDI (Derry) Limited	England & Wales	Non trading Ordinary	100.00
SDI (Uxbridge 2) Limited	England & Wales	Non trading Ordinary	100.00
SDI (Leicester) Limited	England & Wales	Non trading Ordinary	100.00
SDI (Plymouth Flannels) Limited	England & Wales	Non trading Ordinary	100.00
SDI (Manchester Denton) Limited	England & Wales	Non trading Ordinary	100.00
SDI (Bradford) Limited	England & Wales	Non trading Ordinary	100.00
SDI (Newcastle) Limited	England & Wales	Non trading Ordinary	100.00
SDI (Brixton) Limited	England & Wales	Non trading Ordinary	100.00
SDI (Keighley) Limited	England & Wales	Other letting of Ordinary real estate	100.00
SDI (Kidderminster) Limited	England & Wales	Non trading Ordinary	100.00
SDI (Kilmarnock) Limited	England & Wales	Other letting of Ordinary real estate	100.00
SDI (Leeds) Limited	England & Wales	Non trading Ordinary	100.00
SDI (Kirkcaldy) Limited	England & Wales	Non trading Ordinary	100.00
SDI (Lowestoft) Limited	England & Wales	Management of real estate	100.00
SDI (Neath) Limited	England & Wales	Other letting of Ordinary real estate	100.00
SDI (New Cavendish Street) Limited	England & Wales	Other letting of Ordinary real estate	100.00
SDI (Newark) Limited	England & Wales	Other letting of Ordinary real estate	100.00
SDI (Newport) Limited	England & Wales	Non trading Ordinary	100.00
SDI (Newton Abbot) Limited	England & Wales	Other letting of Ordinary real estate	100.00
SDI (Northampton) Limited	England & Wales	Other letting of Ordinary real estate	100.00
SDI (Nuneaton) Limited	England & Wales	Other letting of Ordinary real estate	100.00
SDI (Oswestry) Limited	England & Wales	Other letting of Ordinary real estate	100.00
SDI (Paisley) Limited	England & Wales	Other letting of Ordinary real estate	100.00

MASH HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 APRIL 2017

17 Subsidiaries

(Continued)

SDI (Penzance) Limited	England & Wales	Other letting of Ordinary real estate	100.00
SDI (Peterlee) Limited	England & Wales	Other letting of Ordinary real estate	100.00
SDI (Plymouth) Limited	England & Wales	Other letting of Ordinary real estate	100.00
SDI (Poole) Limited	England & Wales	Dormant Ordinary	100.00
SDI (Ramsgate) Limited	England & Wales	Other letting of Ordinary real estate	100.00
SDI (Redcar) Limited	England & Wales	Other letting of Ordinary real estate	100.00
SDI (Rolle St) Limited	England & Wales	Other letting of Ordinary real estate	100.00
SDI (Scarborough) Limited	England & Wales	Non trading Ordinary	100.00
SDI (Scunthorpe) Limited	England & Wales	Other letting of Ordinary real estate	100.00
SDI (Slough) Limited	England & Wales	Other letting of Ordinary real estate	100.00
SDI (Southampton) Limited	England & Wales	Other letting of Ordinary real estate	100.00
SDI (St Austell) Limited	England & Wales	Other letting of Ordinary real estate	100.00
SDI (St Helens) Limited	England & Wales	Management Ordinary of real estate	100.00
SDI (Stafford) Limited	England & Wales	Other letting of Ordinary real estate	100.00
SDI (Stoke Longton) Limited	England & Wales	Other letting of Ordinary real estate	100.00
SDI (Stoke Newington) Limited	England & Wales	Other letting of Ordinary real estate	100.00
SDI (Strood) Limited	England & Wales	Other letting of Ordinary real estate	100.00
SDI (Sunderland) Limited	England & Wales	Other letting of Ordinary real estate	100.00
SDI (Taunton) Limited	England & Wales	Other letting of Ordinary real estate	100.00
SDI (The Lion Hotel) Limited	England & Wales	Hotels and Ordinary similar accomodation	100.00
SDI (Wakefield) Limited	England & Wales	Other letting of Ordinary real estate	100.00
SDI (Walsall) Limited	England & Wales	Other letting of Ordinary real estate	100.00
SDI (Weymouth) Limited	England & Wales	Non trading Ordinary	100.00
SDI (Wigan) IP Limited	England & Wales	Other services Ordinary	100.00
SDI (Wigan) Retail Limited	England & Wales	Non trading Ordinary	100.00
SDI (Wishaw) Limited	England & Wales	Other letting of Ordinary real estate	100.00
SDI (Worksop) Limited	England & Wales	Other letting of Ordinary real estate	100.00
SDI Fitness (Armagh) Limited	England & Wales	Dormant Ordinary	100.00
SDI Fitness (Bedford) Limited	England & Wales	Dormant Ordinary	100.00

MASH HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 APRIL 2017

17 Subsidiaries (Continued)

SDI Fitness (Belfast) Limited	England & Wales	Dormant	Ordinary	100.00
SDI Fitness (Birmingham) Limited	England & Wales	Dormant	Ordinary	100.00
SDI Fitness (Cambridge) Limited	England & Wales	Dormant	Ordinary	100.00
SDI Fitness (Bury St Edmunds) Limited	England & Wales	Fitness facilities	Ordinary	100.00
SDI Fitness (Cheltenham) Limited	England & Wales	Fitness facilities	Ordinary	100.00
SDI Fitness (Chester) Limited	England & Wales	Dormant	Ordinary	100.00
SDI Fitness (Colchester) Limited	England & Wales	Fitness facilities	Ordinary	100.00
SDI Fitness (Croydon) Limited	England & Wales	Fitness facilities	Ordinary	100.00
SDI Fitness (Dartry) Limited	England & Wales	Dormant	Ordinary	100.00
SDI Fitness (Epsom) Limited	England & Wales	Fitness facilities	Ordinary	100.00
SDI Fitness (Fareham) Limited	England & Wales	Fitness facilities	Ordinary	100.00
SDI Fitness (Formby) Limited	England & Wales	Fitness facilities	Ordinary	100.00
SDI Fitness (Glasgow) Limited	England & Wales	Fitness facilities	Ordinary	100.00
SDI Fitness (Guildford) Limited	England & Wales	Fitness facilities	Ordinary	100.00
SDI Fitness (Hove) Limited	England & Wales	Fitness facilities	Ordinary	100.00
SDI Fitness (Huntingdon) Limited	England & Wales	Fitness facilities	Ordinary	100.00
SDI Fitness (K Heath) Limited	England & Wales	Fitness facilities	Ordinary	100.00
SDI Fitness (Kettering) Limited	England & Wales	Fitness facilities	Ordinary	100.00
SDI Fitness (Lincoln City) Limited	England & Wales	Fitness facilities	Ordinary	100.00
SDI Fitness (Lincoln South West) Ltd	England & Wales	Fitness facilities	Ordinary	100.00
SDI Fitness (Liverpool) Limited	England & Wales	Fitness facilities	Ordinary	100.00
SDI Fitness (Maidstone) Limited	England & Wales	Dormant	Ordinary	100.00
SDI Fitness (Manchester) Limited	England & Wales	Fitness facilities	Ordinary	100.00
SDI Fitness (Milngavie) Limited	England & Wales	Fitness facilities	Ordinary	100.00
SDI Fitness (Newark) Limited	England & Wales	Fitness facilities	Ordinary	100.00
SDI Fitness (Northfield) Limited	England & Wales	Fitness facilities	Ordinary	100.00
SDI Fitness (Poole) Limited	England & Wales	Dormant	Ordinary	100.00
SDI Fitness (Rugby) Limited	England & Wales	Fitness facilities	Ordinary	100.00
SDI Fitness (Sale) Limited	England & Wales	Fitness facilities	Ordinary	100.00

MASH HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 30 APRIL 2017

17 Subsidiaries

(Continued)

SDI Fitness (Salisbury) Limited	England & Wales	Fitness facilities	Ordinary	100.00
SDI Golf Limited	England & Wales	Non trading	Ordinary	100.00
SDI Lifestyle Limited	England & Wales	Wholesale of clothing	Ordinary	80.00
SDI Newco N.10 Limited	England & Wales	Non trading	Ordinary	100.00
SDI Newco No.2 Limited	England & Wales	Non trading	Ordinary	100.00
SDI Newco No.5 Limited	England & Wales	Non trading	Ordinary	100.00
SDI (Solihull 2) Limited	England & Wales	Non trading	Ordinary	100.00
SDI Newco Shire Limited	England & Wales	Non trading	Ordinary	100.00
SDI Properties (USA) Inc	United States		Ordinary	100.00
SDI Properties (Wigan) Limited	England & Wales	Dormant	Ordinary	100.00
SDI Property Limited	England & Wales	Other letting of real estate	Ordinary	100.00
SDI Retail Services Limited	England & Wales	Other retail sale of goods	Ordinary	100.00
SDI Retailing Limited	England & Wales	Non trading	Ordinary	100.00
SDI Shirebrook Limited	England & Wales	Non trading	Ordinary	100.00
SDI Shirebrook DC Limited	England & Wales	Non trading	Ordinary	100.00
SDI Shirebrook Shop Limited	England & Wales	Dormant	Ordinary	100.00
SDI.com Fitness Parent Limited	England & Wales	Activities of holding company	Ordinary	100.00
SDIL S.A.	Belgium		Ordinary	100.00
Severange Limited	England & Wales		Ordinary	100.00
SIA Sportland	Latvia		Ordinary	60.00
Ski and Outdoor Warehouse Limited	England & Wales	Other retail sale of goods	Ordinary	100.00
Slazengers Australia Limited	England & Wales	Non trading	Ordinary	100.00
Slazengers Limited	England & Wales	Non trading	Ordinary	100.00
Smith & Brooks (Germany) Limited	England & Wales	Dormant	Ordinary	100.00
Smith & Brooks (India) Limited	England & Wales	Dormant	Ordinary	100.00
Smith & Brooks Limited	England & Wales	Wholesale of clothing	Ordinary	100.00
Smith And Brooks Group Limited	England & Wales	Activities of holding company	Ordinary	100.00
Smith And Brooks Holdings Limited	England & Wales	Activities of holding company	Ordinary	100.00
SNO Sport Vertriebs GmbH	Austria		Ordinary	100.00
Sondico IP Limited	England & Wales	Dormant	Ordinary	100.00
Sondico Professional Limited	England & Wales	Wholesale of clothing	Ordinary	51.00
Sport Evbl&Sports Experts Logistik GmbH	Austria		Ordinary	100.00
Sport Eybl Holding GmbH	Austria		Ordinary	100.00
Sportland Eestie A.S.	Estonia		Ordinary	60.00
Sportland International Group A.S.	Estonia		Ordinary	60.00
Sports Commission Limited	England & Wales	Dormant	Ordinary	100.00
Sports Direct Brands Limited	England & Wales	Dormant	Ordinary	100.00
Sports Direct Estonia A.S	Estonia		Ordinary	60.00

MASH HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 APRIL 2017

17 Subsidiaries (Continued)

Sports Direct Holdings Limited	England & Wales	Non trading	Ordinary	100.00
Sports Direct Hong Kong Hldgs Ltd	Hong Kong		Ordinary	100.00
Sports Direct International Hldgs Ltd	England & Wales	Non trading	Ordinary	100.00
Sports Direct Retail Limited	England & Wales	Non trading	Ordinary	100.00
Sports World International Limited	England & Wales	Dormant	Ordinary	100.00
Sports Essentials Limited	England & Wales	Retail sale of clothing	Ordinary	100.00
Sports World The Netherlands B.V.	Netherlands		Ordinary	100.00
Sportsdirect.com Austria GmbH	Austria		Ordinary	100.00
Sportsdirect.com Belgium S.A.	Belgium		Ordinary	100.00
Sportsdirect.com Cyprus Limited	Cyprus		Ordinary	100.00
Sportsdirect.com Czech Republic s.r.o	Czech Republic		Ordinary	100.00
Sportsdirect.com Fitness Limited	England & Wales	Non trading	Ordinary	100.00
Sportsdirect.com France	France		Ordinary	100.00
Sportsdirect.com Hungary Kft	Hungary		Ordinary	100.00
Sportsdirect.com Immobilien GmbH	Austria		Ordinary	100.00
Sportsdirect.com Luxembourg	Luxembourg		Ordinary	100.00
Sportsdirect.com Media Limited	England & Wales	Non trading	Ordinary	100.00
Sportsdirect.com Poland S.p z.o.o	Poland	Manufacture of sports goods	Ordinary	100.00
Sportsdirect.com Pty Ltd	Australia		Ordinary	100.00
Sportsdirect.com Retail (Europe) S.A.	Belgium		Ordinary	100.00
Sportsdirect.com Retail Limited	England & Wales	Other retail sale of goods	Ordinary	100.00
Sportsdirect.com Slovakia s.r.o	Slovakia		Ordinary	100.00
Sportsdirect.com SLVN d.o.o	Slovenia		Ordinary	100.00
Sportsdirect.com Spain S.L.U	Spain		Ordinary	100.00
Sportsdirect.com Switzerland A.G.	Switzerland		Ordinary	100.00
SSG Sport GmbH (SSD)	Germany		Ordinary	100.00
Sterling Resources (Holdings) Limited	England & Wales	Other letting of real estate	Ordinary	100.00
Sterling Resources Limited	England & Wales	Other letting of real estate	Ordinary	100.00
Stirlings (Argyle Street) Limited	Scotland		Ordinary	100.00
Straub Corporation Limited	England & Wales	Dormant	Ordinary	100.00
Strawberry Place Newcastle Limited	England & Wales	Activities of head offices	Ordinary	100.00
St James Holdings Limited	England & Wales	Other business support service activities	Ordinary	100.00
St James' Park Newcastle Limited	England & Wales	Other business support service activities	Ordinary	100.00
Summercombe 167 Ltd	England & Wales	Dormant	Ordinary	100.00
SWimmo Eupen SA	Belgium		Ordinary	100.00
Table Tennis Pro Europe Ltd	England & Wales	Non trading	Ordinary	100.00
Talisway Limited	Hong Kong		Ordinary	100.00
The Antigua Group Inc	United States		Ordinary	100.00

MASH HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 APRIL 2017

17 Subsidiaries

(Continued)

The Flannels Group Limited	England & Wales	Retail sale of clothing	Ordinary	51.00
The Trademark Licensing Co Ltd	England & Wales	Leasing of intellectual property	Ordinary	100.00
Total Estates Limited	England & Wales	Dormant	Ordinary	100.00
UAB Sportland LT	Lithuania		Ordinary	51.00
Universal Cycles Limited	England & Wales	Non specialised wholesale trade	Ordinary	100.00
UP Brands Limited	England & Wales	Dormant	Ordinary	100.00
USA Pro IP Limited	England & Wales	Dormant	Ordinary	100.00
Used Tackle Limited	England & Wales	Retail sale of sports goods	Ordinary	100.00
USC IP Limited	England & Wales	Dormant	Ordinary	100.00
USC.co.uk Retail Limited	England & Wales	Retail sale of clothing	Ordinary	100.00
Van Mildert (Lifestyle) Limited	England & Wales	Retail sale of clothing	Ordinary	100.00
Visionfigure Limited	England & Wales	Non trading	Ordinary	100.00
Voodoo Dolls Brand Limited	England & Wales	Dormant	Ordinary	100.00
Waterline Angling Products Limited	England & Wales	Dormant	Ordinary	100.00
West Coast Capital (HOFCO) Limited	Scotland		Ordinary	100.00
Westminster Manufacturing LLC	United States		Ordinary	100.00
Wildlaw Limited	England & Wales	Non trading	Ordinary	100.00
William Sykes Limited	England & Wales	Non trading	Ordinary	100.00
World of Service International Limited	England & Wales	Wholesale of other products	Ordinary	51.00
World of Service Limited	England & Wales	Activities of holding company	Ordinary	51.00
Worthyfund Limited	England & Wales	Dormant	Ordinary	100.00
Y.U.V Limited	England & Wales	Dormant	Ordinary	100.00
Yeomans Outdoors Limited	England & Wales	Retail sale of sports goods	Ordinary	51.00
Newcastle United Publications Limited	England & Wales	Non trading	Ordinary	100.00
Bellatrix Overseas Limited	England & Wales	Dormant	Ordinary	100.00
5 Pointz Limited	England & Wales	Retail sale of clothing	Ordinary	51.00
Brands Holdings Sponsorship Limited	England & Wales	Media representation services	Ordinary	100.00
BSL International Limited	England & Wales	Wholesale trade	Ordinary	100.00
Community Bug Limited	England & Wales	Other publishing activities	Ordinary	100.00
SC Sports (SG) PTE Ltd	Singapore		Ordinary	100.00
SDI Sports Group Americas Inc	United States		Ordinary	100.00
Epoch Properties Limited	Jersey		Ordinary	100.00
Forever Media Limited	England & Wales	Non trading	Ordinary	100.00

MASH HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 APRIL 2017

17 Subsidiaries

(Continued)

Forever Models Limited	England & Wales	Non trading	Ordinary	100.00
Freeshield Limited	England & Wales	Other letting	Ordinary	100.00
Global Apparel (HK) Limited	Hong Kong		Ordinary	100.00
Heatons (NI) Limited	Ireland		Ordinary	100.00
Heatons Logistics Limited	Ireland		Ordinary	100.00
Heatons Stores Limited	Ireland		Ordinary	100.00
Heatons Sports Limited	Ireland		Ordinary	100.00
Hsports Limited	Ireland		Ordinary	100.00
Keith Bishop Public Relations Limited	England & Wales	Other business support services	Ordinary	51.00
Kensington Health Clubs Limited	England & Wales	Fitness facilities	Ordinary	100.00
Laneshift Limited	England & Wales	Non trading	Ordinary	100.00
Megavalue Retail Limited	Ireland		Ordinary	100.00
Midtown Limited	Ireland		Ordinary	100.00
Mountain Sports LLC	United States		Ordinary	100.00
Sports Direct MST Sdn Bhd	Malaysia		Ordinary	51.00
OU Sportsdirect.com	Estonia		Ordinary	100.00
POD Collection Services Limited	England & Wales	Financial Management	Ordinary	100.00
Quickreply Limited	England & Wales	Other letting services	Ordinary	100.00
SDI (5P Holdings) Limited	England & Wales	Dormant	Ordinary	100.00
SDI (Acqco 2) Limited	England & Wales	Non trading	Ordinary	100.00
SDI (Acqco 5) Limited	England & Wales	Non trading	Ordinary	100.00
SDI (Acqco 6) Limited	England & Wales	Non trading	Ordinary	100.00
SDI (Acqco 7) Limited	England & Wales	Non trading	Ordinary	100.00
SDI (Belfast) Limited	England & Wales	Other letting of real estate	Ordinary	100.00
SDI (Bexleyheath) Limited	England & Wales	Other letting of real estate	Ordinary	100.00
SDI (Cardiff Flannels) Limited	England & Wales	Other letting of real estate	Ordinary	100.00
SDI (Enfield) Limited	England & Wales	Other letting of real estate	Ordinary	100.00
SDI (China Online) Limited	England & Wales	Dormant	Ordinary	100.00
SDI (Coatbridge) Limited	England & Wales	Non trading	Ordinary	100.00
SDI (Croydon) Limited	England & Wales	Non trading	Ordinary	100.00
SDI (Romford) Limited	England & Wales	Other letting of real estate	Ordinary	100.00
SDI (Doncaster) Limited	England & Wales	Other letting of real estate	Ordinary	100.00
SDI (East Ham) Limited	England & Wales	Non trading	Ordinary	100.00
SDI (Glasgow Fort) Limited	England & Wales	Other letting of real estate	Ordinary	100.00
SDI (Glasgow Ingram Street) Limited	England & Wales	Other letting of real estate	Ordinary	100.00
SDI (Hereford) Limited	England & Wales	Other letting of real estate	Ordinary	100.00

MASH HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 APRIL 2017

17 Subsidiaries			(Continued)
SDI (HoH) Holdings Limited	England & Wales	Activities of other holdings companies	Ordinary 100.00
SDI (Hull) Limited	England & Wales	Other letting of real estate	Ordinary 100.00
SDI (Ipswich) Limited	England & Wales	Other letting of real estate	Ordinary 100.00
SDI (Isle of Man) Limited	England & Wales	Other letting of real estate	Ordinary 100.00
SDI (Jersey Holding) Limited	England & Wales	Other letting of real estate	Ordinary 100.00
SDI (Kentish Town) Limited	England & Wales	Other letting of real estate	Ordinary 100.00
SDI (Kendal) Limited	England & Wales	Other letting of real estate	Ordinary 100.00
SDI (Lincoln) Limited	England & Wales	Non trading	Ordinary 100.00
SDI (Liverpool) Limited	England & Wales	Other letting of real estate	Ordinary 100.00
SDI (LSL Holdings) Limited	England & Wales	Activities of other holding companies	Ordinary 100.00
SDI (Luton) Limited	England & Wales	Non trading	Ordinary 100.00
SDI (Manchester) Limited	England & Wales	Other letting of real estate	Ordinary 100.00
SDI (Manchester Cheetham Hill) Limited	England & Wales	Other letting of real estate	Ordinary 100.00
SDI (K Lynn) Limited	England & Wales	Other letting of real estate	Ordinary 100.00
SDI (Oxford Street) Limited	England & Wales	Other letting of real estate	Ordinary 100.00
SDI (Nottingham) Limited	England & Wales	Other letting of real estate	Ordinary 100.00
SDI (Edinburgh) Limited	England & Wales	Other letting of real estate	Ordinary 100.00
SDI (Newquay) Limited	England & Wales	Other letting of real estate	Ordinary 100.00
SDI (Sunderland High Street) Limited	England & Wales	Other letting of real estate	Ordinary 100.00
SDI (Salisbury) Limited	England & Wales	Other letting of real estate	Ordinary 100.00
SDI (Reading) Limited	England & Wales	Other letting of real estate	Ordinary 100.00
SDI (Hounslow) Limited	England & Wales	Other letting of real estate	Ordinary 100.00
SDI (Southampton 2) Limited	England & Wales	Other letting of real estate	Ordinary 100.00
SDI (Southport) Limited	England & Wales	Other letting of real estate	Ordinary 100.00
SDI (Strabane) Limited	England & Wales	Other letting of real estate	Ordinary 100.00
SDI (Streatham) Limited	England & Wales	Other letting of real estate	Ordinary 100.00

MASH HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 APRIL 2017

17 Subsidiaries

(Continued)

SDI (Swindon) Limited	England & Wales	Other letting of Ordinary real estate		100.00
SDI (Middlesbrough) Limited	England & Wales	Other letting of Ordinary real estate		100.00
SDI (Thurrock) Limited	England & Wales	Other letting of Ordinary real estate		100.00
SDI (Tri) Holdings Limited	England & Wales	Retail sale of sports goods	Ordinary	100.00
SDI (Uxbridge) Limited	England & Wales	Other letting of Ordinary real estate		100.00
SDI (Wolverhampton) Limited	England & Wales	Non trading	Ordinary	100.00
SDI (Wythenshawe) Limited	England & Wales	Non trading	Ordinary	100.00
SDI Fitness (Atlas) Limited	England & Wales	Fitness facilities	Ordinary	100.00
SDI Fitness (Ivy) Limited	England & Wales	Fitness facilities	Ordinary	100.00
SDI Fitness (K Lynn) Limited	England & Wales	Fitness facilities	Ordinary	100.00
SDI Four Limited	England & Wales	Activities of other holding companies	Ordinary	100.00
SDI Gift Card LLC	United States		Ordinary	100.00
SDI Sport London Limited	England & Wales	Activities of other holding companies	Ordinary	100.00
SDI Sports (East Ham) Limited	England & Wales	Non trading	Ordinary	100.00
SDI Stores LLC	England & Wales		Ordinary	100.00
Seven Strong Limited	England & Wales	Non trading	Ordinary	100.00
Shelfco A1 Limited	England & Wales	Dormant	Ordinary	100.00
Shelfco A2 Limited	England & Wales	Dormant	Ordinary	100.00
Shelfco A3 Limited	England & Wales	Dormant	Ordinary	100.00
SIA sportsdirect.com	Latvia		Ordinary	51.00
Slazenger Carlton (Holdings) Limited	England & Wales	Activities of other holding companies	Ordinary	100.00
Spinsort Limited	England & Wales	Other letting of Ordinary real estate		100.00
The Cycling Bug Limited	England & Wales	Dormant	Ordinary	100.00
The Running Bug Limited	England & Wales	Dormant	Ordinary	100.00
UAB Sportsdirect.com	Lithuania		Ordinary	51.00
Vinecomb Investment Holdings Limited	England & Wales	Activities of other holding companies	Ordinary	100.00
Vinecomb Investment Limited	England & Wales	Retail sale of clothing	Ordinary	100.00
Wareshop1 Limited	England & Wales	Non trading	Ordinary	100.00
Wareshop2 Limited	England & Wales	Non trading	Ordinary	100.00
Wareshop3 Limited	England & Wales	Non trading	Ordinary	100.00
Warrnambool	Ireland		Ordinary	100.00
Newcastle Star Limited	England & Wales	Non trading	Ordinary	100.00
Newcastle West Development Limited	England & Wales	Non trading	Ordinary	100.00
Newcastle North Development Limited	England & Wales	Non trading	Ordinary	100.00

MASH HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 APRIL 2017

17 Subsidiaries				(Continued)
SJH Investment Limited	England & Wales	Dormant	Ordinary	100.00
Newcastle Strawberry Limited	England & Wales	Dormant	Ordinary	100.00
The Football Channel Limited	England & Wales	Non trading	Ordinary	100.00
Balmбра's Limited	England & Wales	Event catering activities	Ordinary	100.00
Direct Golf IP Limited	England & Wales	Dormant	Ordinary	100.00
Direct Golf Retail Limited	England & Wales	Other retail sale of goods	Ordinary	100.00
SDI (Solihull) Limited	England & Wales	Buying and selling of own real estate	Ordinary	100.00
SDI Aviation Limited	England & Wales	Renting and leasing of air passenger transport equipment	Ordinary	100.00
SDI USA LLC	United States		Ordinary	100.00

MASH HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 APRIL 2017

18 Associates

The Group uses the equity method of accounting for associates and joint ventures. The following table shows the aggregate movement in the Group's investment in associates and joint ventures.

Associates	Group £'000
At 27 April 2016	16,635
Additions	9,001
Share of profit	813
At 30 April 2017	<u>26,449</u>

None of the Group's associates are considered to be individually material to the Group. The Group's share of associate's assets, liabilities and profit and loss account, which are included in the consolidated financial statements, is as follows:

	2017 £'000	2016 as restated £'000
Share of fixed assets	25,249	16,172
Share of current assets	13,100	9,155
Share of liabilities due after one year or more	(1,500)	(624)
Share of liabilities due within one year	(10,400)	(8,068)
	<u>26,449</u>	<u>16,635</u>

	2017 £'000	2016 £'000
Turnover	46,600	54,538
Expenses	(45,200)	(51,725)
Profit before tax	1,400	2,814
Taxation	(587)	(573)
Profit after tax	<u>813</u>	<u>2,241</u>

MASH HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 APRIL 2017

19 Financial Instruments

	Group 2017 £000	2016 as restated £000	Company 2017 £000	2016 as restated £000
Carrying amount of financial assets				
Debt instruments measured at amortised cost	403,129	330,960	n/a	n/a
Instruments measured at fair value through profit or loss	42,976	82,527	n/a	n/a
Carrying amount of financial liabilities				
Measured at fair value through profit or loss				
- Other financial liabilities	75,155	61,704	n/a	n/a
Measured at amortised cost	969,629	872,868	n/a	n/a

20 Stocks

	Group 2017 £000	2016 £000	Company 2017 £000	2016 £000
Raw materials and consumables	2	3	-	-
Work in progress	217,436	209,675	-	-
Finished goods and goods for resale	629,177	702,174	-	-
	846,615	911,852	-	-

The cost of stocks that have been recognised as an expense in cost of sales is £1,914,774,000 (2016: £1,619,681,000).

The director has reviewed the opening and closing provisions against stocks and has concluded that these remain fairly stated. The movements on the provisions for additional write downs, new provisions and releases have been reviewed by reference to a range of management reports, there are no material elements to the provisions movement that require disclosure.

MASH HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 APRIL 2017

21 Debtors

	Group 2017	2016 as restated	Company 2017	2016 as restated
	£000	£000	£000	£000
Amounts falling due within one year:				
Trade debtors	104,752	74,091	-	-
Amounts owed by group and related undertakings	33,824	1,817	558,017	486,181
Other debtors	290,377	248,869	-	-
Prepayments and accrued income	36,222	35,783	-	-
	<u>465,175</u>	<u>360,560</u>	<u>558,017</u>	<u>486,181</u>
Deferred tax asset (note 25)	33,700	43,984	-	-
	<u>498,875</u>	<u>404,544</u>	<u>558,017</u>	<u>486,181</u>
Amounts falling due after more than one year:				
Amounts owed by undertakings in which the company has a participating interest	8,000	8,000	8,000	8,000
Derivative financial instruments	42,976	82,527	-	-
Prepayments and accrued income	217	-	-	-
	<u>51,193</u>	<u>90,527</u>	<u>8,000</u>	<u>8,000</u>
Total debtors	<u>550,068</u>	<u>495,071</u>	<u>566,017</u>	<u>494,181</u>

The director considers that the carrying amount of trade and other debtors approximates to their fair value. The maximum exposure to credit risk at the reporting date is the carrying value of each class of asset above, plus any cash balances.

The amount of trade debtors written off to the profit and loss account during the period was £1,100,000 (2016: £2,036,000). The impairment provision against trade debtors at the balance sheet date was £19,500,000 (2016: £11,981,000).

The amount owed by group undertakings (company) include amounts due from McGrove Developments Limited. The gross amount receivable in relation to these loans is £207,248,000 (2016: £208,462,000). The adjustments to fair value of £14,737,000 (2016: £14,708,000) leaves a net receivable figure of £192,511,000 (2016: £193,755,000).

MASH HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 APRIL 2017

22 Creditors: amounts falling due within one year

	Notes	Group 2017 £000	2016 £000	Company 2017 £000	2016 £000
Bank loans and overdrafts	24	76,494	461	710	-
Other borrowings	24	-	18,305	-	-
Trade creditors		156,774	221,965	20	357
Amounts due to group and related undertakings		-	-	2,837	2,837
Amounts due to shareholder		178,695	117,305	143,921	86,588
Corporation tax payable		8,712	51,519	169	83
Other taxation and social security		72,641	52,034	-	-
Derivative financial liabilities		75,155	61,704	-	-
Other creditors		50,432	56,878	-	-
Accruals and deferred income		181,841	121,991	-	-
		<u>800,744</u>	<u>702,162</u>	<u>147,657</u>	<u>89,865</u>

23 Creditors: amounts falling due after more than one year

	Notes	Group 2017 £000	2016 £000	Company 2017 £000	2016 £000
Bank loans and overdrafts	24	317,256	325,958	-	-
Trade creditors		-	2,900	-	-
Deferred income	27	16,536	18,122	-	-
Other creditors		8,137	7,105	-	-
		<u>341,929</u>	<u>354,085</u>	<u>-</u>	<u>-</u>

24 Loans and overdrafts

	Group 2017 £000	2016 £000	Company 2017 £000	2016 £000
Bank and other loans	317,256	333,063	-	-
Bank overdrafts	76,494	461	710	-
Other loans	4,486	18,305	-	-
	<u>398,236</u>	<u>351,829</u>	<u>710</u>	<u>-</u>
Payable within one year	76,494	18,766	710	-
Payable after one year	321,742	333,063	-	-

MASH HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 APRIL 2017

24 Loans and overdrafts

(Continued)

Loans are all at rates of interest ranging between 1.15% and 2.0% over the interbank rate of the country within which the borrowing entity resides. The carrying amounts and fair value of the borrowings are not materially different.

25 Deferred taxation

Deferred tax assets are recognised for tax losses recoverable and pension plan liabilities to the extent that realisation of the related tax benefit is probable on the basis of the Group's current expectations of future taxable profits. Included within other temporary differences is a deferred tax asset in relation to the Share Scheme and a deferred tax liability recognised on other intangible assets upon acquisition.

The deferred tax position is made up as follows:

	Liabilities	Liabilities	Assets	Assets
	2017	2016	2017	2016
Group	£000	£000	£000	£000
Accelerated capital allowances	-	-	18,300	15,145
Tax losses	-	-	-	15,618
Fair value adjustments	20,918	21,447	-	-
Retirement benefit obligations	-	-	-	2,613
Share based payments	-	-	8,600	9,387
Intangible rollover	3,258	8,454	-	-
Forward currency contracts	-	143	8,200	-
Other	-	(4,913)	(1,400)	1,221
	<u>24,176</u>	<u>25,131</u>	<u>33,700</u>	<u>43,984</u>

26 Provisions for liabilities

		Group		Company	
	Notes	2017	2016	2017	2016
		£000	£000	£000	£000
Dilapidations		124,956	56,560	-	-
Other provisions		29,142	10,242	-	-
		<u>154,098</u>	<u>66,802</u>	<u>-</u>	<u>-</u>
Deferred tax liabilities	25	24,176	25,131	-	-
		<u>178,274</u>	<u>91,933</u>	<u>-</u>	<u>-</u>

MASH HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 APRIL 2017

26 Provisions for liabilities

(Continued)

The tax rate used to measure the deferred tax assets and liabilities was 18% on the basis this was the tax rate that was substantively enacted at the balance sheet date.

The deferred tax effects of the acquisitions made in the year were considered and it was determined that there was no material impact on the Group or the fair value of net assets required. Deferred tax assets are recognised for tax losses recoverable and pension plan liabilities to the extent that realisation of the related tax benefit is probably on the basis of the Group's current expectations of future taxable profits.

The dilapidations provision is the best estimate of the present value of expenditure expected to be incurred by the Group in order to satisfy its obligations to restore its leasehold premises to the condition required under the lease agreements at the end of the lease discounted at 5% per annum. The provision is expected to be utilised over the period to the end of each specific lease.

The other provision includes amounts in respect of onerous lease contracts representing the net cost of fulfilling the Group's obligations over the term of these contracts discounted at 5% per annum. The provision is expected to be utilised over the period to the end of each specific lease. Provision is also made for the strategic rationalisation of certain properties. The unwinding of the discount on provision over time passes through the profit and loss account.

Additional provisions were made during the year of £70.8m of which £39.7m was relating to onerous lease provisions due to an ongoing management review of the European store profile and strategy. There was £4.5m of the provisions utilised or reclassified with another £2.8m being reversed.

27 Deferred income

	Group		Company	
	2017	2016	2017	2016
	£000	£000	£000	£000
Deferred grant income	2,139	2,227	-	-
Advanced season ticket sales and other match related income	11,325	14,220	-	-
Sponsorship, advertising and other income	3,014	1,675	-	-
Royalties	58	-	-	-
	<u>16,536</u>	<u>18,122</u>	<u>-</u>	<u>-</u>

MASH HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 APRIL 2017

28 Retirement benefit schemes

	2017	2016
	£000	£000
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	3,311	1,878

Certain of the St James Group companies' employees and ex-employees are members of the Football League Limited Pension and Life Assurance Scheme (FLLPLAS), a defined benefit scheme. As the company is one of a number of participating employers in FLLPLAS, it is not possible to accrue any actuarial surplus or deficit on a meaningful basis. The assets of the scheme are held separately from those of the company, being invested with Insurance companies. Under the provisions of FRS102 the scheme is treated as defined contribution multi-employer scheme.

The scheme's actuary has advised that the participating employer's share of the underlying assets and liabilities cannot be identified on a reasonable and consistent basis and, accordingly, no disclosures are made under the provisions of FRS102.

The last actuarial valuation was carried out at 31 August 2014 where the total deficit on the on-going valuation basis was £21.8 million. The Club currently pays total contributions of £46,860 per annum which based on the actuarial valuation will be sufficient to pay off the deficit by 31 August 2018.

Defined benefit schemes

During the year, the Group disposed of the Dunlop brand and related companies including DSGHL, which held the Dunlop Pension Schemes.

The Group also operates a defined benefit scheme in Sport Eybl Holding GmbH (EAG). Based on materiality, the assumptions and scheme movements are not shown in this note.

	2017	2016
	%	%
Key assumptions		
Discount rate	2.6	3.5
Expected rate of increase of pensions in payment	3.3	3.0
Inflation rate	3.4	3.1
Mortality assumptions	2017	2016
Assumed life expectations on retirement at age 65:	Years	Years
Current pensioners		
- Males	86.1	86.1
- Females	88.4	88.4
Future pensioners		
- Males	87.8	87.8
- Females	90.3	90.3

MASH HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 30 APRIL 2017

28 Retirement benefit schemes

(Continued)

	2017 £000	2016 £000
<i>The movements in the fair value of the plan assets are as follows:</i>		
At start of period	59,800	59,939
Expected return on scheme assets	1,000	1,984
Actuarial gain/(loss)	9,500	(2,476)
Employer contributions	2,400	2,708
Benefits paid out	(1,400)	(2,321)
Disposal	(71,300)	-
Participants contribution	-	5
At the end of the period	-	59,839

	2017 £000	2016 £000
<i>The plan asset mix was as follows:</i>		
Equities	-	27,460
Bonds	-	31,905
Cash and other	-	474
	-	59,839

The fair values of the above instruments are determined based on publicly available market prices wherever available. Unquoted investments are stated at fair value estimates provided by the manager of the investment or fund.

The amounts included in the balance sheet arising from obligations in respect of defined benefit plans are as follows:

Group	2017 £000	2016 £000
Present value of defined benefit obligations	3,353	13,065
Deficit in scheme	3,353	13,065

The company had no post employment benefits at 30 April 2017 or 27 April 2016.

MASH HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 30 APRIL 2017

28 Retirement benefit schemes

(Continued)

	2017 £000	2016 £000
<i>Amounts recognised in the profit and loss account</i>		
Net interest on defined benefit liability/(asset)	3	4
Total costs	3	4

The fair values of the above instruments are determined based on publicly available market prices wherever available. Unquoted investments are stated at fair value estimates provided by the manager of the investment or fund.

The amounts included in the balance sheet arising from the company's obligations in respect of defined benefit plans are as follows:

	Group 2017 £000	2016 £000	Company 2017 £000	2016 £000
Present value of defined benefit obligations	3,353	13,065	-	-
Deficit in scheme	3,353	13,065	-	-
The net movements in the present value of the plan liabilities were as follows:				
Net liability at the start of the period	(13,065)	(14,900)	-	-
Movement in fair value of plan assets	(59,788)	(100)	-	-
Movement in the present value of the plan liabilities	69,500	1,935	-	-
Net liability at the end of the period	(3,353)	(13,065)	-	-

The movements in the present value of the plan liabilities are as follows:

At start of the period	(72,904)	(74,808)	-	-
Interest cost	(1,296)	(2,243)	-	-
Actuarial gain	15,000	3,564	-	-
Contributions by scheme participants	-	5	-	-
Benefits paid out	1,447	2,321	-	-
Exchange gain	-	(1,730)	-	-
Disposal	54,400	-	-	-
Service cost	-	(13)	-	-
	(3,353)	(72,904)	-	-

MASH HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 APRIL 2017

29 Share capital

	Group and company	
	2017	2016
	£000	£000
Ordinary share capital		
Issued and fully paid		
1,000 Ordinary of 0.1p each	1	1
	<u>1</u>	<u>1</u>

MASH HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 APRIL 2017

30 Sports Direct Plc Share based payments

The Executive Bonus Share Scheme

Under the terms of the Executive Bonus Share Scheme, which was approved by Shareholders on 10 September 2010 and is a Revenue approved scheme, the Board may make share awards in respect of the ordinary shares in the company. Awards may be made to Executives and Persons Discharging Managerial Responsibilities over a fixed number of shares subject to performance conditions.

An award of 8,073,036 shares was granted on 10 September 2010 at a share price of 125.5 pence; 4,000,000 of these shares have since vested and 2,000,000 have since lapsed. These shares will only vest if the performance conditions (EBITDA targets) and service conditions (continued employment) are met. No consideration is payable in respect of these awards.

The Bonus Share Scheme

The 2011 Share Scheme was a four year scheme based upon achieving underlying EBITDA (before the costs of the scheme) of £215m in FY12, £250m in FY13, £260m in FY14 and £300m in FY15 coupled with the individual participating employee's satisfactory personal performance. All of the above targets have now been met and 4m shares vested in September 2015. On 7 September 2015 3,772,383 Shares sold by participants following exercise of awards under the Company's 2011 Share Scheme were acquired by Estera Trust (Jersey) Limited, formerly known as Appleby Trust (Jersey) Limited as Trustee of the Sports Direct Employee Benefit Trust (Trustee), with the acquisition being funded by a loan advanced by the Company. The Shares were acquired at a price of 781 pence per Share in an off-market transaction. The Trustee has purchased these Shares in order to help meet future obligations arising under the Company's Share Schemes.

A share-based payment charge of £2,300,000 (2016: £7,077,000) was recognised in respect of the Bonus Share Scheme share awards for the period ended 30 April 2017, based on the Directors' best estimate of the number of shares that will vest. The charge is calculated based on the fair value of the grant date, which is deemed to be the date on which the entity and counterparty reached a shared understanding of the scheme. The Bonus Share Scheme has been accounted for as an equity settled share scheme.

The credit for the share scheme based payment charge does not equal the charge per the profit and loss account as it excludes amounts recognised in the balance sheet in related to the expected National Insurance contributions for the shares and a transfer of accrued National Insurance contributions in respect of previous years' changes which had not previously been recognised in equity.

FY17 was a very difficult period for the Company which has also seen a significant reduction in share value. The Committee and Board felt very strongly that this fall in share value was not a result of the performance of the Company's wider and loyal workforce. As such the Committee and Board used their discretion in December 2016 to announce a guaranteed minimum share price value of £3 to eligible employees on the vesting of the final tranche of shares under the 2011 Share Scheme due to in September 2017, and in May 2017 announced that those employees who elect to defer the vesting of their share awards until September 2018 will receive a minimum share value guarantee of £4.

On 2 July 2014, a resolution was passed to implement the 2015 Share Scheme. No grants have been made under this scheme to date. The 2015 Share Scheme is a four year scheme based upon achieving an underlying EBITDA target (before the costs of the scheme) of £420m in FY16 and further targets in FY17, FY18 and FY19 coupled with the individual participating employee's satisfactory personal performance. The 2015 Share Scheme requires that all targets are met before the shares vest. Up to 25m shares are available to best over two vestings in 2019 and 2021. Since the first target in this scheme has not been met, the 2015 Share Scheme has now lapsed.

MASH HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 APRIL 2017

31 Reserves

Share premium account

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

Other reserve arising on merger

The other reserve arising on merger represents the cost of investment in the merged entities less the value of the share capital and capital reserves including share premium in the merged entities.

Foreign currency translation reserve

The foreign currency translation reserve is used to record exchange differences arising from the translation of the Financial Statements of foreign subsidiaries and associates.

32 Acquisitions

The Group identified a number of strategic acquisitions and divestment opportunities. This included continuing to capitalise upon International opportunities where they may arise.

The Group acquired the remaining 49% interest in Cafico Comercio de Artigos de Desportos S.A., our sports retail business in Portugal. Following this, it was announced that the Group acquired approximately 50 retail stores comprising Bob's Stores and Eastern Mountain Sports in the US, which completed after the year end. This acquisition will provide a footprint in US retail and a platform from which to grow US online sales.

We also announced the divestment of the Dunlop brand to Sumitomo Rubber Industries Ltd. This was in line with the elevation of sports retail, as it facilitates greater bandwidth to develop our relationships with third party brands, and focus on the other distinctive brands within the Group.

33 Disposals

During the period, the Group disposed of the Dunlop brand and its related wholesale and licensing activities for a total consideration of £109.5m, resulting in a gain on disposal of £79.9m. This facilitates more bandwidth for management to develop relationships with third party brands without the need to manage the Dunlop brand on an international basis.

34 Operating lease commitments

At the reporting end date the group had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	Group		Company	
	2017	2016	2017	2016
	£000	£000	£000	£000
Within one year	123,200	107,829	-	-
Between two and five years	357,000	328,971	-	-
In over five years	305,700	269,498	-	-
	<u>785,900</u>	<u>706,298</u>	<u>-</u>	<u>-</u>

MASH HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) **FOR THE PERIOD ENDED 30 APRIL 2017**

35 Controlling party

The Group is controlled by M Ashley through his 100% shareholding in MASH Holdings Limited.

36 Events after the reporting date

Sports Direct:

Following the outcome of the UK referendum on EU membership, the Group notes the associated market volatility and in particular material changes to sterling/dollar exchange rates, and the lack of transparency as to those rates in the short to medium term. These factors are likely to impact purchases for which the Group is currently not hedged for the FY18 period and beyond. The Group does not consider this an adjusting event for the accounting period ended 30 April 2017.

Subsequent to the balance sheet date, the Group have entered into a new Revolving Credit Facility which will provide the Group with access to borrowings of up to £907.5m. It is likely that an accordion arrangement will be established to increase this facility to £1 billion.

Sports Direct Group completed the acquisition of the business and assets of House of Fraser during August 2018. House of Fraser is one of the UK's premium fashion, home and beauty retailers.

The group has acquired all of the UK and Republic of Ireland stores of House of Fraser, the House of Fraser brand and all of the associated stock. The business was purchased out of administration for a cash consideration of £90m.

The Group announced on 27 April 2018 that it has instructed Liberum Capital Limited in relation to an irrevocable non-discretionary share buyback programme to purchase the Group's shares during the closed period commencing on 30 April 2018 and ending on 19 July 2018. In line with IAS 32 Financial Instruments: Presentation the Group recognised the full redemption amount of £40.0m, which is considered to be immaterially different to the present value at year end. If the contract expires without full delivery, the amount of the financial liability attributable to the undelivered shares is reclassified to equity reversing the original recognition. As at the end of the closed period share buyback program, nil shares had been purchased.

Subsequent to the year end, JD Sports plc completed their takeover of The Finish Line Inc. and Sports Direct disposed of their remaining economic interest and received net proceeds from the sale of the physical shares of £45.2m.

The Group acquired Evans Cycles during October 2018. The business was purchased out of administration for cash consideration of £8m which included £2m to fund Evans Cycles' October payroll.

Newcastle United Football Club:

Subsequent to the balance sheet date Newcastle United Football Club secured promotion to the Premier League for the 2017/2018 season. However in October 2017, owner Mike Ashley decided to put the club up for sale.

Strawberry Place Newcastle Limited:

After the reporting date, a contract was entered into, to sell the land owned by Strawberry Place Newcastle Limited for consideration of £9m.

37 Capital commitments

The Group has capital commitments of £13.9m as at 30 April 2017 (26 April 2016: £0.4m) mainly relating to store development.

MASH HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 APRIL 2017

38 Related party transactions

Transactions with related parties

During the period the group entered into the following transactions with related parties:

	Sale of goods	Purchase of goods	Trade and other receivables	Trade and other payables
	£000	£000	£000	£000
Group				
Brasher Leisure Limited	15,600	800	6,400	100
Four Holdings Limited	200	-	32,900	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

Transactions between the Company and its group undertakings are not disclosed in accordance with Section 33 as permitted by FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

M Ashley, the director of the Group, is considered to be key management and transactions with him are stated in Note 39.

Commercial arrangements

Sports Direct Group has a contract in place with Barlin Delivery Limited, a company 100% owned by John Ashley, who is the brother of Mike Ashley. This contractual arrangement was entered into under market terms, and makes good commercial sense for the Company and its shareholders. Since the year end this arrangement is no longer in place.

MM Prop Consultancy Ltd, a company owned and controlled by Michael Murray, continues to provide property consultancy services to the group. MM Prop Consultancy Ltd is primarily tasked with finding and negotiating the acquisition of new sites for both Sports Direct's larger format stores and Sports Direct's combined retail and gym units but it also provides advice to the Company's in-house property team in relation to existing sites both in the UK and in Europe.

MM Prop Consultancy Ltd fees are linked directly to value creation which is determined by Sports Direct's non-executive directors who independently review performance bi-annually with a view to determining, at their absolute and sole discretion, the quantum of the fee payable. Under the terms of the agreement with MM Prop Consultancy Ltd no fees are payable until the earliest of 30 September 2018 so that the Sports Direct's independent non-executive directors have a sufficient amount of time to assess performance.

The Sports Direct Group has commercial arrangements in place with ISBL Consultancy Limited. Based on media coverage of the relationship between Justin Barnes, a director of ISBL Consultancy Limited, and Mike Ashley, Chief Executive Officer of the Sports Direct Group, management has considered whether a related party relationship exists and concluded that Justin Barnes and/or ISBL Consultancy Limited are acting in an advisory capacity only and are not performing key management functions that would indicate a related party transaction. Management decisions are made solely by the management of the Group.

MASH HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) **FOR THE PERIOD ENDED 30 APRIL 2017**

39 Director's transactions

M Ashley also continued to provide amounts to the Group and the company during the period. The total balance outstanding from the Group to M Ashley at 30 April 2017 was £179m (26 April 2016: £117.3m). The maximum amount outstanding from the Group to M Ashley in the period was £179m (2016: £117.3m). The total balance outstanding from the Company to M Ashley at 30 April 2017 was £144m (26 April 2016: £87m). The maximum amount outstanding from the Company to M Ashley in the period was £144m (2016: £87m). No interest was payable on these amounts for either the current or the prior period.

During the period, matchday hospitality to the value of £78k (2016: £101k) was provided to members of M Ashley's family. In addition, charges of £0.7m (2016: nil) were incurred for use of the company jet and helicopter at commercial rates.

40 Contingent assets and liabilities

Under the terms of certain contracts for the signing of the players, additional amounts may become payable to other football clubs. The maximum unprovided liability which may arise in respect of these players at 30 April 2017 is £3,871,000 (2016: £1,220,000). The director does not currently think that it is probable that such sums will be payable on the basis that the qualifying criteria are not currently expected to be met.

In April 2017 HMRC attended certain Group premises and executed a search warrant. Subsequent to these events, Newcastle United Football Company Limited ("NUFCL") received claims from HMRC relating to alleged underpayment of tax and national insurance, and interest to date thereon. The amount that has been claimed by HMRC has been assessed by the Director and an accrual has been made in the Group's financial statements. The amount accrued represents a best estimate at this time of the amount which may be payable. The amount claimed excludes any amount which may be payable in respect of penalties and only reflects amounts the Group has been made aware of. Claims have been lodged against these assessments, and the matter remains in the hands of the Group's legal advisers.

In the opinion of the Director, at this stage in the process, there is insufficient information available to enable him to make a reliable estimate of either the un-accrued amount of any liability which may ultimately arise in this regard, or when any such sums may become payable.

The Company is party to cross guarantees for the bank borrowings of Newcastle United Football Club Limited and nufc.co.uk Limited.

MASH HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 30 APRIL 2017

41 Cash generated from group operations

	2017 £000	2016 £000
Profit for the period after tax	51,922	205,818
Adjustments for:		
Share of results of associates and joint ventures	(813)	(2,449)
Taxation charged	50,594	71,918
Interest payable and similar expenses	42,795	15,393
Interest receivable and similar income	(166,666)	(152,465)
Loss/(profit) on disposal of tangible fixed assets	6,800	(13,541)
Profit on disposal of players' registrations	(43,051)	(2,756)
Capital grant release	-	(90)
Amortisation and impairment of intangible assets	65,276	115,072
Depreciation and impairment of tangible fixed assets	143,626	92,353
Gain on sale of investments	(79,870)	-
Fair value gains and losses	136,708	60,251
Defined Benefit pension plan current service costs	-	13
Defined Benefit pension plan employer contributions	-	(2,708)
Share Based Payments	2,800	7,077
Increase in provisions	20,899	9,722
Movements in working capital:		
Decrease/(increase) in stocks	52,236	(161,213)
(Increase) in debtors	(226,945)	(98,093)
Increase in creditors	218,491	100,976
(Decrease) in deferred income	(1,586)	(2,926)
Cash generated from operations	273,216	242,352

MASH HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 APRIL 2017

42 Restatement

Certain reclassifications have been made to the prior year's financial statements to enhance comparability with the current year's financial statements due to a loan to an associate being incorrectly shown as an investment in associates.

As a result, certain line items have been amended in the statement of financial position, statements of cash flow and the related notes to the financial statements. Comparative figures have been adjusted to conform to the current year's presentation.

	Group		Company	
	Previously reported £000	After reclassification £000	Previously reported £000	After reclassification £000
Investment in associates	24,635	16,635	8,000	-
Amounts owed by undertakings in which the company has a participating interest	-	8,000	-	8,000