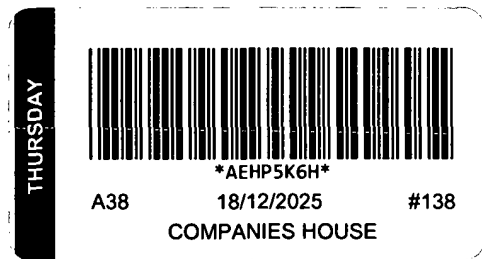


Company number: 01618428

New Look Retailers Limited
Annual report and financial statements
for the 52 weeks ended 29 March 2025



NEW LOOK RETAILERS LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE 52 WEEKS ENDED 29 MARCH 2025

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NEW LOOK RETAILERS LIMITED

COMPANY OVERVIEW

New Look is a leading affordable fashion omnichannel retailer in the United Kingdom (“UK”) with an online business covering key international markets. Delivering against our purpose:

To inspire that New Look feeling

Financial highlights

- Total revenue decreased to £687,730,000 (2024: £735,403,000) due to store closures and tough trading conditions
- Gross margin was 48.1% (2024: 48.7%) due to higher levels of discounting due to a challenging market and unseasonal weather
- Adjusted EBITDA¹ decreased to £18,470,000 (2024: £46,652,000) following a reduction in year-on-year sales and increased promotional activity
- Statutory loss before tax was £77,244,000 (2024: £3,654,000 loss), driven by the reduction in year-on-year sales in addition to increased administrative expenses (in particular the cost of liquidation of the Irish business, depreciation and amortisation of assets and increased staff costs) and increased finance expense.
- £30,000,000 cash injection received from the Group’s shareholders to accelerate digital transformation and optimise online experience for customers

Operational highlights

- No. 3 for overall Womenswear market share in the 18 to 44 age range² both on and offline
- Strength of product offer underlined by maintaining of No. 1 market share position in women’s dresses, jeans and footwear²
- Focus on the customer identification and opt in strategy drove strong results, with total known customers growing +15% to 10 million, with our CRM customer base growing 32% to 4.5 million
- Developed omnichannel model to provide the customer a seamless shopping journey, including over 70% of store receipts being digital as we continue to deliver against our sustainability goals
- Ended the year with 337 stores, serving our customers across the UK (2024: 356 stores)
- Continued focus on affordable fashion ensures we have the right proposition for the current economic environment, closing with a clean stock position
- Successfully executed several long-term technical enhancements, including the implementation of new till software, the launch of an upgraded website, and the transition to a new HR platform
- Announced the provisional liquidation of the underperforming ROI business; New Look Retailers (Ireland) Limited during February 2025, resulting in an exceptional loss of £40,598,000.

¹ “Adjusted EBITDA”, a non-IFRS measure, is calculated as “adjusted EBITDA including IFRS 16”, adding back contractual rent charges, lease incentives and initial direct costs previously recognised in operating (loss)/ profit pre-IFRS 16 and excluding gains/losses on disposal/modifications of leases. “Adjusted EBITDA including IFRS 16” is calculated as operating (loss) / profit before exceptional items, the movements in fair value of financial instruments, the impairment charge or write back of tangible and intangible assets, the charge related to SaaS arrangements, depreciation and amortisation.

² Based on Kantar Worldpanel published data 52 weeks ended 30 March 2025

NEW LOOK RETAILERS LIMITED

STRATEGIC REPORT

The Directors present their strategic report on New Look Retailers Limited (“the Company”) for the 52 weeks ended 29 March 2025 (comparatives for the 53 weeks ended 30 March 2024).

PRINCIPAL ACTIVITIES

The principal activity of the Company is the retailing of clothing, footwear and accessories under the ‘New Look’ brand through stores in the United Kingdom (UK) and the Isle of Man, online and through 3rd party e-commerce. The Company is consolidated within the New Look group (New Look Retail Holdings Limited and its subsidiaries, together “the Group”).

YEAR IN REVIEW

Our purpose is:

‘To inspire that New Look feeling’

We are delivering our strategy through five key strategic pillars:

Feel Good Fashion
Easy & Inspiring Experience
A Brand that Uplifts & Unites
Kind to Our Core
Fit for Change

FY25 has been another challenging year for fashion retail as the pressure on disposable income has continued to intensify. The broader UK market has been impacted by persistent inflation, rising employee costs, and a difficult macroeconomic backdrop including global instability, freight disruption, and increasingly extreme weather conditions. Alongside this, footfall across the UK high street remains subdued, and business rates remain high – adding further pressure to already stretched operating margins. Consumer confidence dipped with younger customers – a key demographic for New Look – feeling the effects most acutely. As a result, discretionary spend has remained highly constrained across the year.

Unseasonable and unpredictable weather patterns also created a number of commercial challenges. June, in sharp contrast to last year’s record-breaking heat, was particularly cool, while September saw a warm spell that disrupted the transition into autumn. These shifts made it harder for customers to commit to seasonal wardrobes, and we, along with competitors, saw knock-on effects to core seasonal product categories. Additionally, the UK recorded 12 named storms – the highest number since the naming system began in 2015 – leading to temporary store closures and disruption to local trading. However, where the weather aligned with demand, we saw customers respond well – including strong sell-through in jeans and knitwear, with over 180,000 pairs of wide leg jeans sold across the year.

Despite the headwinds, we made strategic decisions to navigate the environment and continue investing for the future. In line with the broader market, we increased promotional activity to ensure a clean stock position and maintain cash flow discipline which also helped drive traffic and conversion, both in-store and online. We focused on data-led marketing to drive efficiency, shifting spend towards ‘Pay Per Click’ (PPC) at peak moments such as Black Friday while continuing to build brand saliency through investment in omnichannel marketing.

Our physical estate remains central to our omnichannel strategy. This year we invested approximately £3.0 million in Project Manchester, trialling a number of new in-store initiatives focused on improving customer experience. Learnings from this trial have been rolled out across a number of other stores. In parallel, we upgraded our till systems, providing more efficient tools to our colleagues and enhancing the customer journey. By the end of FY25, 79% of our stores had been upgraded to the new technology. We closed the year with 337 UK stores, down from 356 in FY24, as we continue to review our store footprint to reflect changing shopping behaviours and ensure long-term viability.

NEW LOOK RETAILERS LIMITED

STRATEGIC REPORT (CONTINUED)

On the digital front, we continued to enhance the customer journey. In February 2025 we launched an upgraded website designed to improve speed, experience and ease of navigation. Alongside this, we invested in the development of our enterprise data platform, allowing us to make smarter, faster decisions and gain deeper insights into customer behaviour.

Customer loyalty has been another focus area. Our new loyalty programme, CLUB NEW LOOK, has received strong initial feedback, providing members with exclusive offers, fashion content, event access, and more. We see this as a key strategic pillar in the years ahead and are working to scale the programme further across our app, website, and in-store offering.

Our people remain at the heart of our success, and in August we launched our new HR system, supported by Dayforce, providing colleagues with a modern, user-friendly platform to manage everything from personal development and absence tracking to recruitment. We continue to champion wellbeing and inclusivity across the business, offering access to services such as Virtual GP, partnering with organisations like the Fashion & Textile Children's Trust, and hosting 'Lunch & Learn' sessions on key topics including unconscious bias, Asperger's, and stress – often shaped by the powerful personal stories of our colleagues. We were proud to be recognised externally for our ongoing efforts. This year, we were shortlisted for several prestigious awards, including Drapers' "Best Place to Work" and "Diversity and Inclusion Award" – a testament to our continued focus on creating an engaging, supportive and inclusive culture.

Sustainability also remains a key strategic priority. We continue to make significant progress towards our targets, as outlined in our KIND TO OUR CORE Sustainability Strategy Refresh 2022 and the September 2024 Addendum, as well as in our latest Sustainability Report which was published in October 2024 and is available on our website; www.newlookgroup.com. However, we recognise that this is an ongoing journey. Our customers expect us to lead by example, and we are committed to collaborating both across the industry and internally to meet and exceed those expectations.

In March 2025, the Group's shareholders demonstrated continued confidence in the business with a £30.0 million cash injection via an additional senior new money term loan. This funding enables us to accelerate digital investment and build on the momentum of the past five years. We will strategically focus this investment across four key growth areas: data-driven innovation, technology enhancement, loyalty and engagement, and customer migration. A key priority remains optimising our app and online platforms to deliver a seamless and personalised customer journey.

Our New Look colleagues continue to be central to everything we do, which makes any people-related decisions especially difficult. In April 2025, we made the tough decision to reorganise several support centre teams. While not taken lightly, this restructuring is a necessary step to create a more agile, efficient and future-fit organisation.

Looking ahead to FY26, we are cautiously optimistic. Our strong online market share and well-managed stock position will enable us to deliver robust margin performance. We have identified further efficiencies to help offset the cost impact of the recent regulatory changes to employer national insurance contributions. As a trusted and recognisable brand across the UK, we remain committed to delivering great value and inspiring that New Look feeling. Building on FY25's learnings, we will focus our efforts on high-return initiatives and remain relentlessly customer-focussed – whether in store, online, or through our app – to deliver a cohesive, engaging experience across every channel. Following the end of the reporting period, in October 2025, the Company and certain subsidiaries* entered into an agreement to extend the senior secured financing arrangements for a further 12 months to 4 October 2027. This highlights the Company's continued ability to attract financing and allows energies to be focussed on delivering against our strategy.

* New Look Limited, Geometry Properties Limited, New Look Retailers (CI) Limited and New Look (Germany) GmbH

NEW LOOK RETAILERS LIMITED
STRATEGIC REPORT (CONTINUED)
FINANCIAL REVIEW

The year's results represent the performance of the Company for the 52 week period ended 29 March 2025. The comparative figures reflect the 53 week period ended 30 March 2024.

Revenue

Total revenue decreased by £47,673,000 to £687,730,000 (2024: £735,403,000). Total gross sales decreased by £56,479,000 to £723,828,000 (2024: £780,307,000) with an adjustment of £36,098,000 (2024: £44,904,000) to state concession income on a net basis for total revenue for statutory reporting purposes. Gross sales enables the Company to monitor total sales made through stores and online before netting concession income.

UK retail sales decreased £50,047,000 to £488,469,000 (2024: £538,516,000) driven by the challenging trading environment caused by the ongoing cost of living pressures along with multiple store closures in the year. Unseasonable and unpredictable weather impacted the customer mindset switch between our key seasonal trends. The unprecedented number of storms during the year discouraged consumers from visiting the high street and the change in the UK Government brought uncertainty. In line with the market, it has been a year of discounting and promotions to maintain a clean stock position. When the weather was in our favour, we saw compelling reactions to key product lines and, in particular, customers reacted strongly to our knitwear and jeans during the Autumn. We continue to adapt to the changing market conditions and remain focused on delivering value to our customers.

E-commerce sales decreased by £8,930,000 to £208,528,000 (2024: £217,458,000) as we experienced comparable challenges to UK retail regarding customer sentiment. The online market continues to outperform offline, and we are well-positioned to capture this growth as consumers increasingly shift to online shopping. We intend to ramp up our digital operations, enhance the customer journey, and drive growth in the e-commerce segment.

Sales with our 3rd party e-commerce partners increased £2,644,000 to £26,831,000 (2024: £24,187,000). Performance continues to build as we focus our international footprint in the 3rd party e-commerce space.

Our Franchise sales during the prior period were £146,000. We ceased our franchise partnership in January 2024.

Stores and space

Our total number of stores decreased to 337 (2024: 356 stores), with total space reducing to 2,707,000 sq ft (2024: 2,857,000 sq ft).

We opened 1 store and closed 20 stores during the period, as we continue to focus on profitable markets and maintain an appropriate level of bricks and mortar stores to support the business. Our stores remain a key asset and allow us to be front of mind to customers on the high street.

Our investment strategy includes enhancing our omnichannel model and we believe the extensive geographic reach of our remaining UK estate continues to give us a competitive advantage of localness.

Gross margin

Gross profit decreased by £26,973,000 to £331,125,000 (2024: £358,098,000), with the resulting gross profit margin decreasing to 48.1% (2024: 48.7%).

Gross margin decreased due to the higher levels of discounting required this year to sell through stock in the unseasonal weather periods. We remained in line with the market in respect to markdown events, attracting customers through sale processes.

Included within cost of sales are costs relating to distribution of goods, including overheads and staff costs. Also included are estates costs related to the Distribution Centre (DC) and depreciation and amortisation of assets held there. Gross margin for e-commerce includes higher packaging and fulfilment costs than retail store sales, and all 3rd party e-commerce sales are achieved at a lower gross margin. However, in comparison to stores, e-commerce benefits from lower administrative expenses and therefore contributes a higher profit margin.

NEW LOOK RETAILERS LIMITED
STRATEGIC REPORT (CONTINUED)

Operating loss

Operating result decreased £65,065,000 to a £47,632,000 loss from a £17,433,000 profit.

During the period the Company recognised a £570,000 gain on disposal and modification of right-of-use assets compared to a £4,137,000 gain in the prior period.

During the period administrative costs (including exceptional items) increased to £379,327,000 (2024: £344,802,000). The following information provides detail on administrative expenses. The differences between the below and items presented in note 6 are costs included within cost of sales.

Our exceptional items (excluding gains on disposal and modification of leases) increased by £30,355,000 to £46,122,000 expense (2024: £15,767,000 expense), driven by £40,598,000 (2024: £nil) relating to the liquidation of the Irish business. See note 9 for further details.

The credit relating to the movements in the fair value of financial instruments in the income statement was £1,287,000 (2024: £2,465,000 credit) as a result of movements in foreign exchange rates.

SaaS (software as a service) expense was £3,258,000 (2024: £5,786,000). SaaS costs incurred were predominantly in relation to the operational shift towards cloud-based IT infrastructure for the transactional website.

Staff costs (excluding exceptional and temporary staff costs) increased to £122,576,000 (2024: £116,655,000) primarily due to national living wage and national minimum wage along with inflation.

Estate costs (including service charges, rates, utilities and repair costs and excluding rent which is accounted for under IFRS 16) decreased by £6,212,000 to £66,280,000 (2024: £72,492,000) driven by a reduction in business rates following reviews of rateable values, and a reduction in store numbers. Estates costs reflects the cost of our store portfolio and support centres.

Marketing costs increased by £1,959,000 to £32,357,000 (2024: £30,398,000) as we invested in marketing to drive sales during the challenging periods.

Depreciation and amortisation increased by £4,407,000 to £44,465,000 (2024: £40,058,000). Property, plant and equipment depreciation was £6,740,000 (2024: £6,285,000), intangible asset amortisation was £13,513,000 (2024: £11,548,000) and right-of-use asset depreciation was £24,212,000 (2024: £22,225,000).

Adjusted EBITDA

In addition to the information required by IFRS and to assist with the understanding of earnings trends, the Company has included within its financial statements a non-IFRS measure referred to as Adjusted EBITDA. Management consider that Adjusted EBITDA reflects the underlying trading performance of the Company, excluding the impact of capital investment. Adjusted EBITDA is operating (loss) / profit before exceptional items, the movements in fair value of financial instruments, the impairment charge or write back of tangible and intangible assets, the charge related to software as a service ("SaaS") arrangements, depreciation and amortisation, adding back contractual rent charges, lease incentives and initial direct costs previously recognised in operating (loss) / profit before adopting IFRS 16 and excluding gains/losses on disposal/modifications of leases. For a reconciliation of operating profit to adjusted EBITDA, see page 30.

Adjusted EBITDA decreased by £28,182,000 to £18,470,000 (2024: £46,652,000). Adjusted EBITDA including IFRS 16 decreased by £27,616,000 to £55,017,000 (2024: £82,633,000) which includes the impact of IFRS 16 as base rent charges are replaced by depreciation and interest expense.

Finance income and expense

Net finance costs increased by £8,525,000 to £29,612,000 (2024: £21,087,000) due to an increase in amounts payable to Group undertakings. Included in net finance costs are finance costs of £12,543,000 on lease liabilities (2024: £11,701,000), £7,507,000 net payable to Group undertakings (2024: £375,000) and net £9,562,000 interest on external debt (2024: £9,011,000).

NEW LOOK RETAILERS LIMITED
STRATEGIC REPORT (CONTINUED)

Pre-tax loss worsened by £73,590,000 to a £77,244,000 loss (2024: £3,654,000 loss).

Taxation

The income statement taxation charge for the period was £31,000 (2024: £55,000 charge). There was a £31,000 current tax charge (2024: £32,000 charge) in the year and no deferred tax charge (2024: £23,000 charge) in the year.

53rd week

The financial statements are ordinarily prepared on a 52 week basis. This causes the period end date to change each year moving away from the accounting reference date. In order to realign the period end date it was necessary to report a 53 week year last year. If FY24 was reported on a 52 week basis the key results of the Company would have been:

	FY25	FY24
	£'000	£'000
Revenue	687,730	721,208
Gross margin	48.1%	48.9%
Operating (loss)/profit	(47,632)	15,813
Adjusted EBITDA	18,470	45,032

Intangible assets

The net book value of intangible assets decreased to £36,084,000 (2024: £40,042,000) as amortisation exceeded additions in the year. Intangible assets includes brands and software licences. See note 11 for further details.

Property, plant and equipment

The net book value of property, plant and equipment increased to £19,702,000 (2024: £19,374,000) as a result of additions outweighing depreciation and impairments. Property, plant and equipment includes fixtures and fittings within our stores, London and Weymouth support centres and distribution centre. See note 12 for further details.

Right-of-use assets

The net book value of right-of-use assets increased to £115,745,000 (2024: £109,938,000). Right-of-use assets include leases on our stores, distribution centre, London and Weymouth offices, equipment in the distribution centre and support centres and vehicles. See note 13 for further details on leases.

Inventories

Inventories decreased by £6,062,000 to £110,582,000 (2024: £116,644,000). We continue to focus on stock management and ensure that supply chain lead times are optimised and seasonal stock is cleared. We prioritised a clean stock position in the current year through markdown events and the timing of Easter this year meant we weren't holding as much stock at year end compared to the prior year. Inventories include stock held within stores and at the distribution centre.

Trade and other receivables

Trade and other receivables decreased to £31,363,000 (2024: £40,217,000) which included trade receivables of £8,522,000 (2024: £10,080,000), primarily in relation to the 3rd party e-commerce business, £13,040,000 (2024: £14,176,000) of prepayments predominantly for estate and head office costs and £897,000 accrued income (2024: £1,095,000). Amounts owed by Group undertakings decreased to £7,920,000 (2024: £14,337,000).

Derivative financial instruments

Net derivative financial instruments decreased to a £2,084,000 liability (2024: £3,371,000 liability). The credit relating to the movements in the fair value of financial instruments in the income statement was £1,287,000 (2024: £2,465,000 credit) as a result of movements in foreign exchange rates. See note 19 for further details.

Trade and other payables

Trade and other payables increased to £146,550,000 (2024: £135,728,000). Trade creditors increased by £11,686,000 and accruals decreased by £1,924,000 as a result of timing of invoicing. Deferred income decreased by £1,410,000 due to lower outstanding gift cards as at year end.

NEW LOOK RETAILERS LIMITED

STRATEGIC REPORT (CONTINUED)

Lease liabilities

Lease liabilities increased by £11,825,000 to £131,751,000 (2024: £119,926,000). Lease liabilities reflect the present value of future lease payments on right-of-use assets, discounted using the incremental borrowing rate applicable for each lease.

Net debt

As at 29 March 2025, external debt was £69,765,000 (2024: £112,718,000) which represents £35,295,000 senior revolving credit facility (“RCF”) (2024: £46,987,000), £34,470,000 junior term loan (2024: £34,122,000) and £nil NLCL revolving credit facility (2024: £31,609,000), see note 18. Cash and cash equivalents were £44,399,000 (2024: £25,019,000).

Outlook

Our omnichannel model continues to provide us with a competitive edge as the market evolves due to the customer being able to choose when and where they would like to shop at their convenience. Our clean stock position, brand strength and market leading position in key categories create opportunities for us to outperform the market as we anticipate trading conditions to remain volatile over the coming year, whether that be through macro-economic trends such as US tariffs or pressure on consumers discretionary spend. We have identified a number of efficiencies within our cost base that we will be executing to offset the impact to costs from the government’s announcement regarding employer national insurance. Our control over the creative process and design of product along with the quality of our people reinforces our confidence in our ability to navigate whatever challenges occur in the year ahead. We are constantly reviewing and updating our strategy, seeking opportunities to outperform the market through trials that promote our omnichannel vision and drive additional sales volumes.

While we remain cautious in the face of an unpredictable trading environment, we are confident in the strength and appeal of the New Look brand and our ability ‘to inspire that New Look feeling’. We are optimistic about the future and are committed to delivering value to our customers.




NEW LOOK RETAILERS LIMITED
STRATEGIC REPORT (CONTINUED)
RISKS AND UNCERTAINTIES



As a wholly-owned subsidiary of New Look Retail Holdings Limited, the identification, governance, management and reporting of the risks of the Company are undertaken at Group level. It is recognised that the Company at any point in time is exposed to a number of risks. The following table details the most significant risks as identified by the Group Board together with the relevant mitigation that are considered relevant for the Company. It should be noted that any system of risk management and internal control is designed to manage rather than eliminate the risk of failure to achieve business objectives and can only provide reasonable and not absolute assurance against material misstatement or loss.

New Look considers effective risk management to be fundamental to achieving our business objectives, protecting our reputation and delivering added value to our stakeholders.

As well as the treasury and financial risks identified in note 3, the following table presents the principal risks and uncertainties the Company faces.

Risk movement key:

-  = risk is stable, neither increasing or decreasing
-  = risk is increasing at the time of reporting
-  = risk is decreasing at the time of reporting

Risk: Customer		
 Risk Movement Stable Risk Owner Chief Customer Officer	<p><i>What is the risk?</i></p> <p>Failure to acquire and retain customers because of a deterioration of brand saliency due to lack of online and social media presence and a diminishing and un compelling presence on the high street, compounded by a lack of cohesion across all channels undermining our omnichannel proposition.</p> <p>The macro-economic environment will further influence customer behaviour and buying choices which could impact our performance and strategic decisions.</p>	<p><i>How do we manage the risk?</i></p> <p>Deliver to the customer a connected and threaded experience across Store, Social, App and Online. Marketing investment across a full range of Performance, Media & Social channels.</p> <p>CRM platform to deliver relevant communication to the customer. Effective use of data analytics and other research tools to identify pain points and opportunities relating to customer experience.</p> <p>Customer insight data is used to regularly benchmark performance and drive improvement.</p>
Risk: Financial Stability and Trading Environment		
 Risk Movement Stable Risk Owner Chief Financial Officer	<p><i>What is the risk?</i></p> <p>Our ability to meet our financial obligations and to support the operation of the business is dependent on having sufficient liquidity over the short and medium term.</p> <p>We are operating in an increasingly competitive retail environment against a backdrop of continued cost and price pressures, changing customer behaviours and economic uncertainty.</p>	<p><i>How do we manage the risk?</i></p> <p>Centralised treasury function responsible for managing key financial risks, cash resources, foreign currency risk and the availability of liquidity and credit capacity, supported by;</p> <ul style="list-style-type: none"> • Treasury Committee • Treasury Management Policy • Foreign currency Hedging Policy • Rigorous budget-setting process, based on accurate, intelligent information • Robust cash flow modelling along with continuous review of model assumptions

NEW LOOK RETAILERS LIMITED

STRATEGIC REPORT (CONTINUED)

	<p>A permanent shift in consumer behaviour from shopping in store to online could lead to a loss making and cash draining store portfolio, compounded by direct and indirect cost inflation.</p> <p>We are exposed to foreign currency risk and our results may be adversely impacted by unforeseen and material movements in foreign exchange rates.</p>	<ul style="list-style-type: none"> • Weekly update on latest cash flow and cash forecasts with the Chief Financial Officer (“CFO”) and a subset of Heads of Finance • Regular updates to the Board, including scenarios based on the current trading environment at the time <p>Managing relationships with all financial stakeholders i.e. banks and shareholders, including the comprehensive reduction in borrowings and extension of debt maturities.</p> <p>Ongoing dialogue with third party partners and suppliers to maintain commercial alignment and mitigation of cash flow risk.</p> <p>Significant operational efficiencies and cost savings identified and actioned, with ongoing review to identify further opportunity.</p>
Risk: Supply Chain		
<p>○</p> <p>Risk Movement Stable</p> <p>Risk Owner Commercial Director</p>	<p><i>What is the risk?</i></p> <p>Reliance on our supplier base to deliver competitive products on time and quality is essential. Loss of speed and flexibility in the supply chain, leading to greater risk in buying decisions and potential loss of margin through higher markdowns or shortfalls in inventory levels.</p> <p>Over-reliance on key suppliers and international sources of production leading to a shortfall in inventory due to a supplier failure or global events.</p> <p>Non-compliance by suppliers with our Code of Practice may increase reputational risk.</p>	<p><i>How do we manage the risk?</i></p> <p>A clearly defined Sourcing Strategy in place which covers;</p> <ul style="list-style-type: none"> • Increasing transparency and open costings • Managing shifts in supply based on shifting costs, materials, freight and product mix • Identifying opportunities for optimum sourcing mixes • Projected volumes and commitments to suppliers • Contractual provisions • Strategic longstanding supply partnerships <p>Dedicated sourcing team responsible for maintaining an efficient and effective supply chain. Embedding responsible purchasing practice with buying teams.</p> <p>A flexible supplier base ensuring greater Open-to-Buy flexibility and the ability to react more quickly to successful trends.</p> <p>Regular review of supply chain and routes maximising flexibility and sustaining fulfilment of product demand across all channels.</p> <p>Structured audit processes at factories throughout our supply chain, conducted by internal and external teams, plus support for suppliers working towards full compliance with our ethical aims.</p>

NEW LOOK RETAILERS LIMITED
 STRATEGIC REPORT (CONTINUED)

Risk: Talent and Culture		
	<i>What is the risk?</i>	<i>How do we manage the risk?</i>
<p>①</p> <p>Risk Movement Stable</p> <p>Risk Owner People Director</p>	<p>Failure to recruit and retain top talent to run our day-to-day operations and deliver strategy.</p>	<p>Investment in our in-house recruitment team and strong agency partnerships to maximise our ability to reach top talent.</p> <p>Regular reviews of management structure ensuring capability and succession.</p> <p>Effective identification of emerging talent, and more targeted support for career development.</p> <p>Regular, effective performance reviews, leadership assessments, training and development.</p> <p>Ensuring our company values are visible, and regularly re-visited, through our performance management and behavioural framework, Academy on-line, leadership development, recognition programmes, and our Equality, Diversity and Inclusion (“ED&I”) Roadmap.</p> <p>We will support our colleague's wellbeing by utilising our Inclusion Ally groups, Wellbeing Allies, external partners, and ED&I and Wellbeing Calendars, to inform our actions. This will support physical, mental and financial wellbeing, through regular activities and team up-skilling.</p> <p>Widening the remit of our wellbeing strategy to include active listening and upskilling our managers, specifically around mental health.</p>

NEW LOOK RETAILERS LIMITED
STRATEGIC REPORT (CONTINUED)

Risk: Distribution Centre and Logistics		
<p>⊙</p> <p>Risk movement Stable</p> <p>Risk Owner Logistics and Supply Chain Director</p>	<p><i>What is the risk?</i></p> <p>Our single site DC and Logistics operations provide fundamental support to the running of the business. Risks include business interruption due to physical damage, access restrictions, breakdowns, capacity and resourcing shortages, IT systems failure, inefficient and slow processes and third-party failures.</p> <p>Increasing choice in the products New Look sells has been central to the development of our omnichannel proposition but growth in product lines, along with an accelerated shift from retail to e-commerce has presented our warehouse operation with significant challenges.</p>	<p><i>How do we manage the risk?</i></p> <p>Planning processes are in place to ensure there is sufficient DC handling capacity for expected future business volumes over the short and longer terms.</p> <p>DC handling, inbound logistics and delivery costs are continually monitored to ensure goods are delivered to our retail stores and e-commerce customers in a timely and cost-efficient manner.</p> <p>Our DC Leadership Team meets regularly to assess the opportunities and risks in our DC and logistics network.</p> <p>Business continuity plans are in place to mitigate the impact of business interruption.</p>
Risk: Corporate Compliance and Environmental Responsibility		
<p>⊙</p> <p>Risk Movement Stable</p> <p>Risk Owner Chief Executive Officer</p>	<p><i>What is the risk?</i></p> <p>Failure to deliver against our legal, regulatory, environmental, social and governance commitments would undermine our reputation as a responsible retailer, may result in legal exposure or regulatory sanctions, and could negatively impact our ability to operate and/or remain relevant to our customers. Non-compliance may result in fines, criminal prosecution, or litigation.</p> <p>The expectations of our customers and other stakeholders are increasingly demanding. The environmental and social impact of our business and the sustainability of clothing are all increasingly relevant.</p>	<p><i>How do we manage the risk?</i></p> <p>Continuous monitoring of legal and regulatory developments and the risk register by our legal team and Data Protection Officer.</p> <p>Oversight from established committees such as the Governance and Compliance Steering Group and the Environmental, Social and Governance Steering Group. Key risks and regulatory developments presented to the Audit Committee which meets three times each year.</p> <p>Compulsory training for higher risk regulatory areas like Health & Safety, Anti-Bribery and Corruption, Data Protection for all colleagues.</p> <p>A confidential reporting line to allow colleagues and other stakeholders to report areas of concern, including breaches.</p> <p>Net zero targets have been agreed with the Board. ESG and climate-related risks are factored into the risk management process. An ESG Steering Group has been established and the Audit Committee and Board are updated regularly. See our latest Sustainability Report for more information.</p>

NEW LOOK RETAILERS LIMITED
STRATEGIC REPORT (CONTINUED)

Risk: Information Security (including Cyber) and Business Continuity		
	<i>What is the risk?</i>	<i>How do we manage the risk?</i>
<p>○</p> <p>Risk Movement Stable</p> <p>Risk Owner Chief Operating Officer and Chief Financial Officer</p>	<p>Failure to adequately prevent or respond to a data breach or cyber-attack could adversely impact our customers, business reputation, and ability to trade and result in significant fines and loss of information.</p> <p>Significant operational failures or resilience issues at key business locations, such as Lymedale, our DC, or our on-line platform could result in significant business interruption.</p>	<p>Layered IT controls including, but not limited to, configured firewall, Multi Factor Authentication, network monitoring and Endpoint Detection and Response software.</p> <p>Compliance with Payment Card Industry requirements for protecting payments.</p> <p>Provision of secure externally hosted data storage and cloud computing facilities.</p> <p>24x7x365 Managed Security Operations Centre set up to monitor, alert and triage security incidents.</p> <p>Back-up procedures are in place to deal with any short-term or specific loss of data.</p> <p>We have access to specialist technical incident response and forensic support on a 24/7 basis to assist if an issue arises.</p> <p>Colleague security awareness training, including mandatory 'Information Security around the workplace' and 'Phishing' training modules completed annually.</p> <p>Business Impact Assessment updated and supported by Disaster Recovery Plans. Business Continuity Incident Management Team Protocol in place. Incident Management Plans in place for all key sites and regularly updated.</p> <p>A programme of risk and renewal activities is agreed and prioritised based on analysis of operational security, stability and availability.</p>

NEW LOOK RETAILERS LIMITED

STRATEGIC REPORT (CONTINUED)

NON-FINANCIAL AND SUSTAINABILITY INFORMATION STATEMENT

Our sustainability strategy remains integral to our operations and continues to evolve in response to emerging risks and business priorities. We consistently monitor and enhance our social and environmental impact. In 2025, we updated our Social and Environmental Saliency assessment. Additionally, we continue to integrate the updated Organisation for Economic Cooperation and Development (OECD) due diligence principles into our processes to support these efforts. This year, our strategic focuses continued to be traceability, carbon management, and preparing for a more circular business model. Our top level Human Rights and Environment Due Diligence materiality study shows a shift in priorities with responsible raw materials, waste & circularity and lower impact manufacturing moving up the priority lists, whilst extending the study to the principal manufacturing sites demonstrated working conditions, human rights and gender related issues rising up the priority lists.

Having developed a decarbonisation roadmap aligned with our Science Based Targets (SBTs) established in 2024, the roadmap continues to be our activity guide outlining four primary action areas: i) renewables and energy efficiency, ii) sustainable materials and innovations, iii) resource efficiency and iv) circularity, employing collaborative actions and identifying enabling factors. It encompasses all scopes, detailing specific actions for carbon reduction, and identifies insetting and offsetting as necessary steps for achieving net zero emissions. Assigning accountability for actions within the decarbonisation plan to relevant business leaders is crucial to ensure that short, medium, and long-term initiatives are integrated into team planning and budgeting. Throughout the year, we worked on embedding key performance Indicators (KPIs) to evaluate our progress towards these targets. Our investment in an Enterprise Data Platform will aid in the use of big data to ensure management teams can measure and report effectively.

Approved Net-Zero Science-Based Targets

Overall Net-Zero	New Look commits to reach net-zero greenhouse gas emissions across the value chain by FY40.
Near-Term	New Look commits to reduce absolute scope 1 and 2 GHG emissions 42% by FY30 from a FY22 base year. New Look commits to reduce absolute scope 3 GHG emissions 42% within the same timeframe.
Long-Term	New Look commits to reduce absolute scope 1 and 2 GHG emissions 90% by FY40 from a FY22 base year. New Look commits to reduce absolute scope 3 GHG emissions 90% within the same timeframe.

Traceability has been identified as pivotal for sustainability and industry advancement. Having partnered with TrusTrace, 100% of New Look's core suppliers are now live and interacting through the TrusTrace platform. Moving forward, New Look is also committed to ensuring that all future suppliers are onboarded to the platform. This milestone marks a significant step in New Look's journey to use technology and data to build a more transparent, responsible and future-ready supply chain. New Look can use this technology to monitor and manage supplier data with greater accuracy and depth, empowering the business to fully understand and measure the social and environmental impact of its sourcing decisions and meet emerging regulatory requirements with confidence. Traceability is also supported by our saliency work informing our priorities at country level.

New Look continues to invest effort shifting to a more circular business model. Increasing the use of recycled materials and advocating for the UK to align with the EU lead and to establish a level playing field on Extended Producer Responsibility (EPR), eco modulated, to drive responsible practices and support the development of a textile waste recycling infrastructure. We have worked with Circle-8 to establish a forward strategy and have engaged with sector-driven initiatives like the Circular Fashion Innovation Network, where Helen Connolly serves on the advisory board to support our goals and industry needs.

As regulation continues to grow in our principle selling markets, we have worked with industry organisations to understand how our partnerships, initiatives and data have prepared us and where we have gaps to address.

For more information on our strategy and targets see our latest Sustainability Report.

NEW LOOK RETAILERS LIMITED
STRATEGIC REPORT (CONTINUED)

GHG and SECR Reporting

Scope 1	FY25	FY24	FY23	Base year FY22
Emissions Source	tCO ₂ e	tCO ₂ e	tCO ₂ e	tCO ₂ e
Refrigerants (F-gas)	162	498	369	554
Natural Gas	287	282	382	496
Company-vehicle Mileage	167	116	182	182
Red Diesel	40	8	15	24
Scope 2				
Electricity Location-Based	11,327	13,586	14,244	17,370
Electricity Market-Based	25,439	25,063	9,086	177
Scope 3				
Cat 1. Purchased goods & services (Fibre Products)	161,514	172,496	179,002	232,254
Cat 1. Purchased goods & services (Non-fibre Products & Services)	52,945	63,691	45,386	26,457
Cat 11. Use of sold products (Indirect)	15,263	16,852	17,367	21,860*
Cat 4. Upstream T&D	11,557	13,311	11,101	13,970
Cat 9. Downstream T&D	7,092	8,625	9,293	9,651
Cat 7. Employee Commuting	2,693	4,108	6,045	6,473
Cat 3. FERA (Location-based)	3,830	4,526	5,101	6,620
Cat 12. End-of-life treatment of sold products	1,837	1,154	1,500	2,091*
Cat 6. Business Travel	771	635	399	175
Cat 5. Waste generated in operations	117	168	218	311
Cat 7. Working from-Home	815	496	1,595*	2,004
Cat 11. Use of sold products (Direct)	-	-	6	15*

Scope		FY25	FY24	FY23	FY22
Intensity - t CO ₂ e per 1,000 sqft (location-based)	Electricity	2.61	1.99	1.87	2.28
Intensity - t CO ₂ e per 1,000 sqft (location-based)	Gas	0.20	0.18	0.23	0.30
Consumption kWh (location-based)	Scope 1 & 2	57.4 million	67.3 million	76.0 million	84.3 million

*Recalculated based on new methodology for consistency across all years

The methodology used to calculate scope 1 & 2 emissions has been based on operational control, accounting for full estate, including landlord buildings. Scope 3 emissions are divided into upstream and downstream emissions relating to acquired goods and services and sold goods and services respectively. To achieve an accurate and uniform approach to emissions calculations the most recent version (2022) of the BEIS Carbon Emissions Factors have been applied to all applicable categories. The purchased goods & services (Non-fibre Products & Services) spend -category- specific emissions factors used were sourced from the most recently available DEFRA factors associated with purchased goods and services (2012) and have appropriately been discounted to allow for changes in the value of currency and improvements in efficiency over time. For purchased goods & services (Fibre Products), footprints were calculated utilising activity data and secondary data through Life Cycle Assessment ("LCA") factors, Higg Index factors, etc. FY22 is our baseline year, as we had comprehensive and accurate emissions data that we were able to submit to SBT for approval, in line with our climate commitments stated within our sustainability report.

NEW LOOK RETAILERS LIMITED
STRATEGIC REPORT (CONTINUED)

GHG and SECR Reporting (continued)

Scope 1 remains a very small percentage of our total carbon output and therefore is a lower priority within our carbon strategy. However a significant reduction in our refrigerant gas was achieved through “Project Chilly”, a significant condenser repair programme.

Scope 2 remains our largest direct emissions and therefore an opportunity for reduction. There has been a significant reduction in the total number of stores in this reporting period accounting for the reduction in total emissions. However the intensity has seen an uplift related to maintenance of cooling systems which have meant more energy consumed use during this period Investment in further reduction initiatives will continue on a priority basis. Investment in further reduction initiatives will continue on a priority basis. Our LED transition programme is ongoing. Overall in scope 1&2 we have reduced our emissions by 36% against our baseline year and we remain on track to meet our near term SBT. Purchased goods and services (fibre) remain our highest source of emissions and now represent 62% of our total footprint.

Total emissions (PG&S fibre products) reduced by 6% compared to last year which reflects a reduction in overall product purchased, including a reduction in the weight of fibres used by 5%. We increased the mix of materials with lower emissions for example 47% of the viscose we used was traceable and lower impact. We maintained our recycled polyester mix at 20% despite increasing our intake by 16%.

Emissions from total fibre products have decreased by 30% compared to the baseline. Over the coming year, we will continue the transition to lower impact materials and collaborate with our supply chain to reduce emissions during the manufacturing stage. This will be supported by our ongoing work with the Higg Index and improved use of lifecycle assessment tools to achieve increasingly accurate emissions reporting.

Climate Related Disclosure

The Directors have voluntarily considered the scope and applicability of the requirement under the Companies Act 2006 which results the non-financial and sustainability statement (“NFSIS”) as part of the strategic report.

Board Oversight

The Board is regularly updated on ESG activities and has delegated oversight of these activities to the Audit Committee. The Audit Committee meet three times during the year. The Committee’s remit is:

- Monitoring progress against climate-related goals and targets
- Keeping under review the Group’s ESG risks and opportunities
- Keeping under review the materiality of climate-related risks and its impact on the financial statements
- Monitoring adherence to externally applicable sustainability codes and principles

Wider Governance

We have established a Board Sub-Committee, the ESG Steering Group, chaired by the CEO which meets quarterly. This Steering Group oversees the delivery of the ESG programme, including our action plan and improvement initiatives, ESG targets, and emerging ESG risks. Climate-related risks and opportunities are central to the ESG agenda.

Risk Management

Effective risk management is fundamental to achieving our business objectives, protecting our reputation, and delivering value to our stakeholders. The Board has overall responsibility for the risk management framework. The assessment of climate-related risk is integrated into the overall risk management process and treated similarly to other risks that could severely disrupt the Group’s business model.

On behalf of the Board, the Audit Committee reviews the effectiveness of the risk management process, while senior management provides day-to-day leadership in risk management, integrating it into all our activities and decision-making processes. The Audit Committee focuses on the integrity of our financial reporting, ensuring its reliability and understandability, and monitors all audit and compliance outputs, both internal and external, including the corporate risk register.

Our risks are assessed based on the likelihood of materialization and the potential impact. Each risk has a designated 'risk owner' from the senior management team responsible for continuous assessment.

NEW LOOK RETAILERS LIMITED
STRATEGIC REPORT (CONTINUED)

Climate Related Disclosure (continued)

Risk Management (continued)

Risk assessments evaluate our scenarios based on 'gross' risk before mitigation and 'net' risk after considering all enacted responses. The scoring system, developed and approved by the Board, is based on the materiality of impact and strategic time frames.

The Board has also provided the senior management team with a set of risk appetite statements defining acceptable risk levels. If risks exceed our risk appetite, actions must be taken to reduce the risk score to an acceptable level.

Scenario analysis is planned to be undertaken in the future.

The risk management process is set out in more detail in the Risks & Uncertainties on page 8.

Risks and Opportunities

We have considered the principal climate-related risks and opportunities arising in connection with the Company's operations, and the time periods to which those risks and opportunities are assessed.

Time periods considered:

- Short term: present day to 2027
- Medium term: 2027 to 2032
- Long term: 2032 to 2042.

Risk, ranking and period	Risk description	Mitigation
<p>Raw material availability and price</p> <p><i>Medium risk</i></p> <p><i>Medium/long term</i></p>	<p>We are dependent on natural and synthetic raw materials. Higher temperatures, water shortages, taxes will impact the price and availability of these raw materials.</p> <p>Cotton, representing 26% of our total fibre use, is a specific high risk due to its dependence on climate and water for yields and it being a globally traded commodity.</p>	<ul style="list-style-type: none"> • We implement lower-impact strategies for sourcing cotton, viscose, and polyester, diversifying sources and reducing long-term environmental impact. • Increasing the share of recycled materials, reduces the company's dependencies on virgin raw materials. • To improve our use of recycled materials, we are part of the British Retail Consortium ("BRC") and UKRI Circular Fashion Programme, which are both government led initiatives to support circularity, specifically fibre to fibre recycling. • We continuously track raw material prices and share data monthly with buying teams. • For this risk to impact New Look significantly, there would need to be a global failure of raw material production. This would be managed through material selection, blending of fibres and increased cost to the consumer. <p><i>See Responsible & Circular Product section of our latest Sustainability Report</i></p>
<p>Impact of extreme weather</p> <p><i>Medium risk</i></p> <p><i>Medium/long term</i></p>	<p>Extreme weather events, including flooding and high temperatures, pose significant risks to production and distribution in key sourcing countries like Bangladesh and India, which represent approximately one-third of our total production.</p>	<ul style="list-style-type: none"> • We utilise strategic partnerships which mean we have a connected but dispersed supply chain, allowing us to move production to alternative areas if needed. • An established partnership with TrusTrace is allowing us better visibility of the extended value chain. This helps to understand hot spots in high and low-risk regions through the emerging use of risk dashboards to help inform future sourcing decisions. • We are able to shift freight methods to prevent delays in delivery times. <p>We require our suppliers to have business continuity planning in place, including a disaster recovery plan in accordance with best industry practice.</p>

NEW LOOK RETAILERS LIMITED
STRATEGIC REPORT (CONTINUED)
Climate Related Disclosure (continued)
Risks and Opportunities (continued)

Risk, ranking and period	Risk description	Mitigation
<p>Regulation and levies <i>Medium risk</i> <i>Short/medium term</i></p>	<p>Taxes on the movement of goods based on sustainability factors including circularity and carbon could increase the costs of production. These are currently being introduced across Europe and are likely to also be introduced in the UK, our principle market.</p> <p>In a world where we are on track for global Net Zero we would expect this risk to have a greater impact and in the shorter term.</p>	<ul style="list-style-type: none"> • We acknowledge the part we play in the international efforts to deliver on the climate change aims of the Paris Agreement and we have set targets in line or exceeding national targets for net zero. • We continue to ensure we meet regulation standards; including the latest Extended Producer Responsibility (“EPR”) requirements and continue to monitor new and changing product legislation. • Our sustainability strategy is ambitious, and we have set targets that specifically focus on the circular economy, decarbonisation and transparency which reduce our exposure to potential taxes. • <i>See Responsible Business section of our latest Sustainability Report</i>
<p>Customer Behaviour <i>Medium risk</i> <i>Short/medium term</i></p>	<p>Increasing understanding of climate change and its impacts are expected to impact customer behaviour by creating higher demand requirements for low impact products from trusted businesses.</p>	<ul style="list-style-type: none"> • Our sustainability strategy sets clear and ambitious targets on climate change, transparency and circularity, as well as ethical business practices. • We are aligned to globally recognised standards such as the Science Based Targets Initiative, International Labour Organisation (“ILO”) and OECD. • Clear communication with customers using data to demonstrate reduced impact of products will give customers confidence • We are focusing on sourcing alternative, more responsible raw materials that reduce environmental impact and align with evolving customer expectations for sustainability. • Changes to labelling, to ensure customers have clear and transparent communication about sustainability – • Identifying customer behaviours and expectations through insight, and working with cross sector, multi stakeholder initiatives where customer behaviours nudges are required to reduce impacts of post purchase journeys such as returns and circular business models; (Repair, Reuse and Recycling) <p><i>See Positive Local Impact and Responsible & Circular Product sections of our latest Sustainability Report</i></p>

NEW LOOK RETAILERS LIMITED
STRATEGIC REPORT (CONTINUED)
Climate Related Disclosure (continued)
Risks and Opportunities (continued)

Opportunity, ranking and period	Description	Implementation/Actions
<p>Gaining market share by becoming a more sustainable brand</p> <p><i>High risk</i></p> <p><i>Short/medium term</i></p>	<p>There is an opportunity for New Look to gain market share by increasing transparency and offering lower impact products.</p>	<ul style="list-style-type: none"> • Our sustainability strategy over the last 5 years has focused on providing lower impact product through alternative materials and processing. Continuing to deliver on our sustainability strategy to meet customer expectations in relation to climate change and sustainability, could lead to gaining market share. • We identified transparency as an enabler for improved impact and customer engagement and last year signed with TrusTrace to achieve full transparency and traceability of our products. • We will continue to increase communication around sustainability and climate related issues, on social channels and website for increased customer engagement. While ensuring all communication is transparent and in line with the proposal on Green Claims. <p><i>See our latest Sustainability Report</i></p>
<p>Reducing energy spend</p> <p><i>High risk</i></p> <p><i>Short/medium term</i></p>	<p>By transitioning to low carbon alternatives both within our own operations and supply chain, New Look will reduce the spend on energy.</p>	<ul style="list-style-type: none"> • SBTs reinforcing our commitment to reduce our total carbon emission. As part of this we have created a decarbonisation roadmap which looks at actions and enablers in both the short, medium and long term. • We are supporters of the BRC Climate Action Roadmap working with other retailers and stakeholders to collectively deliver on the retail industries net zero carbon emissions. • We are committed to reducing the aggregate greenhouse gas footprint of new products. Under the Textiles 2030 agreement; New Look used 2023 calendar year data in the Textiles 2030 Footprint Tool, on tonnages of textiles products placed on the market by fibre type which was compared to our 2019 base year data. Whilst our total carbon and water footprints reduced by 48% and 47% respectively, our continued efforts through our Sustainability strategy will be to achieve reductions in the impacts per tonne. • <i>See Responsible Business section of our latest Sustainability Report</i>

NEW LOOK RETAILERS LIMITED
STRATEGIC REPORT (CONTINUED)
Climate Related Disclosure (continued)
Risks and Opportunities (continued)

Opportunity, ranking and period	Description	Implementation/Actions
Integrating circularity into our business models and products <i>Medium risk</i> <i>Short/medium term</i>	By integrating circularity into our business models there is an opportunity for new revenue streams as well as availability of lower impact materials at reduced rates.	<ul style="list-style-type: none"> • We are part of the Circular Fashion Innovation Network (CFIN), working to reduce waste and over-production of clothing, and to accelerate the UK towards a circular fashion ecosystem. • We were an active part of the government funded ACT UK¹ two-year project working to build UK infrastructure to support fibre to fibre textile recycling, to prepare the UK market to transition to textiles circularity. • New Look have worked with Circle-8 in the last year to map the textile waste volumes by channel to inform our forward development of our waste strategy going forward. <p><i>See Responsible & Circular Product section of our latest Sustainability Report</i></p>

Modern Slavery

We recognise that modern slavery is a global issue, and that no economy or industry is immune. Therefore, we are committed to doing all that we can to ensure that no modern slavery or human trafficking is present in our supply chain or any part of our business.

We have a Modern Slavery Working Group and representatives from all areas of the business lead the work on this agenda. This group regularly links with the ESG Steering Group which reports to the Board to share updated information.

For more details, please read our Modern Slavery Statement, where you can find an update on the business; our supply chain model, policies and governance; how we prioritise and manage risks and implement a due diligence approach; and our progress, steps taken and approach to continuous improvement. Modern Slavery Statement available to view at: www.newlookgroup.com/esg-sustainability/governance/modern-slavery

Charitable giving

Last year we teamed up with the Neighbourly Foundation in a continued effort to support charities local to our stores and to help make a positive impact in our community. Through 2 campaigns and against a much tougher donation environment, during FY25 we raised over £100k for more than 120 charities and the Retail Trust.

Our Section 172 Companies Act statement on page 23 details how the views of shareholders have been taken into account during the year. The strategic report is approved by the Board.

On behalf of the Board,



Helen Connolly
Director
 23 October 2025

NEW LOOK RETAILERS LIMITED

DIRECTORS' REPORT

The Directors present their report and the audited financial statements of the Company for the 52 weeks ended 29 March 2025 (comparatives for the 53 weeks ended 30 March 2024).

Directors

The Directors who served during the financial period and up to the date of signing of the financial statements were as follows:

Helen Connolly
Richard Collyer
Clare Dobbie

Principal activities

The principal activity of the Company is the retailing of clothing, footwear and accessories under the 'New Look' brand. Further information is disclosed in the Strategic Report.

Future developments and business analysis

Future developments and financial risk management have been disclosed in the Strategic Report.

Employee policies

We continue to focus on engagement and regular communication with our colleagues. We continue our holistic approach to wellbeing addressing physical, financial and mental health. We have clear inclusion ambitions that we are dedicated to delivering. We encourage a wide range of projects, initiatives and campaigns to help our colleagues feel comfortable and support causes they care about. Our online performance management tool encourages ongoing discussion and targeted support for career development. We recognise that the adoption of smarter working practices gives colleagues more flexibility.

Dividends

No dividends have been paid or proposed during the period (2024: £nil).

Corporate Governance

The Directors have considered The Companies (Miscellaneous Reporting) Regulations 2018 and have applied the Wates Corporate Governance Principles for Large Private Companies.

Principle 1- Purpose and Leadership

The purpose is to inspire that New Look feeling and be the UK's leading feel-good fashion brand, the choice for fashion-loving 18–44 year-old women.

Our purpose and ambition have been integrated into the ongoing strategy and business model. This is underpinned by our core values which are brought to life by all colleagues living and leading these values:

- Play to win - being bold, brave, empowered
- It starts with me - having a growth mindset
- We are one - inclusive, caring and collaborative
- Customer obsessed - delivering on our customer and service promise

Principle 2 – Board Composition

Information about our Board members is set out above. The requirements as to the Group board composition and appointments are set out in the Shareholders' Agreement and comprises the non-executive Chairman, two executive Directors (CEO and CFO – both Directors of the Company), three non-executive Directors, and two investor Directors. The two investor Directors represent the majority shareholders, whilst one of the three non-executive Directors represents the other shareholders. We consider the size of our Board and the expertise and constructive challenge of our non-executive directors is suitable for the size and scope of our operations and enables effective decision making.

NEW LOOK RETAILERS LIMITED

DIRECTORS' REPORT (CONTINUED)

Principle 2 – Board Composition (continued)

The Board members have equal voting rights except the non-executive Chairman who has the casting vote. Board members can obtain independent advice at the Company's expense as well as having full access to the Company Secretary as required.

In accordance with best practice and as required under the Shareholders' Agreement, the Group Board has established an Audit Committee and a Remuneration Committee. The Audit Committee comprises two non-executive Directors, two investor Directors and one executive Director; the Remuneration Committee has two non-executive Directors, two investor Directors and one executive Director. The Committees have specific duties which have been delegated to them by the Group Board; details of these duties are set out in the terms of reference of each Committee. We have also formed a number of operational level committees, such as a Treasury Committee, an Investment Committee, the Governance & Compliance Steering Group and an ESG Steering Group. The terms of reference for these committees are aligned with the Shareholders' Agreement, where relevant.

The Company has procedures in place for managing conflicts of interest. If a Board member becomes aware that they, or any of their connected parties, have an interest in an existing or proposed transaction, they have an obligation to notify the Board in writing, or at the next Board meeting. Internal controls are in place to ensure that related party transactions involving directors, or their connected parties, are conducted on an arm's length basis. Directors have a continuing duty to inform the Company of any changes to their interests and in addition, they are requested on an annual basis to confirm any changes to their circumstances which could give rise to a conflict of interest.

Principle 3 – Director Responsibilities

As a wholly owned subsidiary of New Look Retail Holdings Limited, the Company is subject to the obligations that arise from the Group Shareholders' Agreement in relation to business conduct and reserved matters. As per the Shareholders' Agreement, certain matters are reserved for the Group's shareholders. Each shareholder reserved matter also requires approval from the Group Board. Separately there are matters reserved solely for the Group Board.

Items which require Group Board or shareholder approval include, but are not limited to intra-group dividend payments; incurring any new borrowings over a certain amount; acquiring new or selling business lines that substantially affect adjusted EBITDA; placing any Group companies into liquidation proceedings; any Group capital variations; and also approval for any appointment or removal of any senior employee.

The Company Board meets as required to fulfil its statutory duties.

A clear delegated level of authority (approved by the Group Board) exists within the Group authorising those below Statutory Director level to sign and commit expenditure.

Principle 4 – Opportunity and Risk

Opportunity

We continue to refine our business strategy and are delivering a Transformation Plan to help us to improve performance and sustain changes for the long term.

Short term opportunities to improve performance are agreed in the weekly directors' meeting which are attended by the CEO, CFO, Chief Customer Officer and the Chief Operating Officer along with the other Operational Directors.

Risk

As a wholly owned subsidiary of New Look Retail Holdings Limited, the identification, governance, management and reporting of risks of the Company are undertaken at Group level. Effective risk management is fundamental to achieving our business objectives, protecting our reputation and delivering added value to our stakeholders. The Board has overall responsibility for the risk management framework.

NEW LOOK RETAILERS LIMITED

DIRECTORS' REPORT (CONTINUED)

Principle 4 – Opportunity and Risk (continued)

The Audit committee meets three times during the year. The Audit Committee focuses on the integrity of reviewing our financial reporting; making sure they are reliable and understandable, ensuring our risk management processes are effective and controlled, and monitors all audit and compliance outputs. Principal risks & uncertainties are detailed on pages 8 to 12.

Principle 5 – Remuneration

The remuneration of senior employees who receive a basic annual salary over £135,000 requires Group Remuneration Committee approval under the Shareholders' Agreement. Board approval is required to appoint or remove any employee with a salary of more than £200,000. Group Board and Shareholder approval is required to appoint or remove any non-executive director, the CEO or CFO.

Board approval is required for any bonus schemes and share incentive schemes. Remuneration is benchmarked against the retail industry to appropriately incentivise and recruit the right talent.

Principle 6 – Stakeholder Relationships and Engagement

Good governance and effective communication are essential to deliver our purpose and to protect the Group's brand and reputation. Our relationships with all stakeholders including shareholders, customers, employees, suppliers and local communities are key.

Customers

The Directors receive reports on customer feedback through our "Voice of the Customer" programme (customer satisfaction online and offline), brand health tracker and customer mindset tracker. Reports are also provided monthly on the market, consumer spending versus the market and New Look market share (both traffic and market value share).

People

Our People strategy wraps around our core business strategy, recognising the importance of our People to enable our ambitions. It is driven by our purpose to 'inspire that New Look feeling' and is built focused on four key areas:

1. Our Kind of Inclusion (ED&I) - to authentically live and lead by our values and be seen as an Employer of Choice
2. Climate To Thrive - to retain & develop a diverse, engaged, high performing team
3. HRIS for Simplicity - to deliver & embed a new HR system to make our colleagues lives simpler
4. Deliver Efficiencies - through evolving & innovating our ways of working

An engaging and inclusive culture continues to be at the heart of everything we do. We keep our colleagues engaged and informed about our People Strategy and the progress we are making, through Director updates, Heads Of briefing sessions, Town Halls and weekly communications via our internal communication team and colleague engagement platform.

We continue to listen to our colleagues and give them a voice, with our colleague "Your Voice" groups active business wide, and our Future Strategy Panel. We also have colleague Inclusion Ally groups which include Women's and Men's Health, PRIDE (LGBTQIA+), Cultural Awareness, Accessibility, Sustainability and Wellbeing.

We continue to build and deliver inclusion education at all levels across the business, which include our ED&I and Wellbeing calendars, our Lunch and Learn series, and our "Let's Talk About" colleague blog series.

We continue to focus on and prioritise our strategic ED&I Plan, "Our Kind of Inclusive", which is a key initiative in our 'Kind to our Core' pillar. Our approach is authentic and "always on".

As a predominantly womenswear brand we are very proud of the representation of women in senior roles across the business. 75% of our Operational Directors and 64% of our Heads of Department are women.

We also remain focused on progressing equality, diversity, and inclusion across all levels of the business.

NEW LOOK RETAILERS LIMITED

DIRECTORS' REPORT (CONTINUED)

Suppliers

Our supply chain is built on collaboration with long-term supplier partners and customised contracts. We emphasised responsible purchasing practices and prioritised data transparency to create a resilient and responsive value chain, especially during the recent volatile trading conditions.

We trained our commercial teams on Responsible Purchasing Practices, helping them understand their impacts on the value chain and make informed decisions.

100% of our suppliers are trained to use the TrusTrace platform to increase traceability and continue our preparedness for regulatory demands in the UK and Europe.

We continued to exhibit diversity in supply by sourcing from 18 production countries globally. Bangladesh remained our largest apparel source despite the June 2024 political disruptions. Our strategic partnerships with suppliers allowed us to minimise disruption to supply. Our near sourcing share decreased as we favoured quicker-to-market programmes from long lead routes.

Freight costs and lead-times remained consistent throughout the year, aligned with our planned expectations.

We entered into a binding agreement with IndustriALL Global Union to support collectively bargained wages and improved working conditions in Cambodia's garment, textile, footwear, and travel goods industries. We engaged with Cambodian stakeholders, including TAFTAC, trade unions, ACT brands, and IndustriALL Global Union to facilitate the collective bargaining agreement (CBA) process. This agreement established a framework for signatory manufacturers regarding purchase volumes, labour costing and efficiency, and financial contributions to a joint skills training fund.

We have enhanced our digitalisation efforts to improve supply chain efficiency. These trials laid the foundation by accelerating the design and development process, as well as reducing sample costs for suppliers.

Sustainability

For more information see the Non-Financial and Sustainability Information Statement on page 13.

Directors' duties

The Directors consider that they have acted in the way they consider in good faith, would be most likely to promote the success of the Company for the benefit of its members as a whole in the decisions taken during the period ended 29 March 2025, in accordance with section 172 of the UK Companies Act 2006. In particular, the Directors have regard to:

- a) The likely consequences of any decision in the long term as detailed in the omnichannel model section of the Strategic Report (see page 3) and with reference to the three-year plan;
- b) The interests of the Company's employees as detailed in principle 6 of the Wates Corporate Governance Principles (see page 22 to 23);
- c) The need to foster the Company's business relationships with suppliers, customers and others as detailed in principle 6 (see pages 22 to 23);
- d) The impact of the Company's operations on the community and the environment as detailed in the Sustainability section (see pages 13 to 19);
- e) The desirability of the Company maintaining a reputation for high standards of business conduct as detailed in principle 3 (see page 21), principle 4 (see page 21) and in the modern slavery section of the Strategic Report (see page 19);
- f) The need to act fairly as between members of the Company.

Financial instruments – risk management and objectives

Risk management objectives and policies related to financial instruments are disclosed in note 3.

Political donations

The Company made no political donations in the year (2024: none).

NEW LOOK RETAILERS LIMITED

DIRECTORS' REPORT (CONTINUED)

Going concern

In determining the appropriate basis of preparation of the annual financial statements for the period ended 29 March 2025, the Directors are required to consider whether the Company can continue as a going concern for the foreseeable future and for at least 12 months from the approval of these financial statements.

The Directors have reviewed the projected results of the Company and the adequacy of its financial resources to continue in operational existence and to meet its obligations as they fall due over a 15-month period from the date of approval of these financial statements ("the going concern period"). The Directors have also considered the risks to the Company's trading performance, as summarised in the 'Risks and Uncertainties' section on pages 8 to 12.

The Company has prepared a forecast for the 15-month period to January 2027 ('base case scenario') which is derived from the board approved three-year business plan and considered the likely trading trends, based on information available at the time of preparation and recent history.

The base case scenario takes into account the ongoing uncertainties regarding external economic challenges, regulatory inflationary pressures and consumer demand. Within the base case, both retail and e-commerce margins are expected to improve due to reduced discounting and more stringent inventory control. Like-for-like (LFL) demand sales for e-commerce are anticipated to increase because of continued investment in digital initiatives and the projected shift of retail customers to our online platform, driven by expected store closures of underperforming stores. Therefore, LFL retail sales are prudently forecasted to decline.

Under the base case scenario, the Company maintains sufficient headroom against the operational minimum cash balance required, as dictated by management, and does not breach the financial covenants.

The Directors have run various severe but plausible sensitivity scenarios on the projections to understand the liquidity position of the Company in the event of:

- No EBITDA growth for continuing operations is projected over the next 12 months (October 2025 to September 2026), reflecting the poor performance in FY25, which is not tracking to recur. The remainder of FY27 is maintained at the base case level. As a result, the P6 FY27 Last Twelve Months ('LTM') EBITDA aligns with the P6 FY26 LTM actual performance. Under this scenario, the Company's cash balance remains above the minimum required level, no financial covenants are breached, and the Company continues to meet its liabilities as they fall due without the need for mitigation actions.
- A reduction in UK retail sales during the peak trading seasons of FY26 and FY27 of up to 20% compared to the base case, mirroring the seasonal pattern of the prior year, with half of the associated sales miss recovered through stock clearance in January of the respective years. Trading performance returns to budget from February in both years until the end of the going concern period. In this scenario, the Company's cash balance remains above the minimum required cash level, no financial covenants are breached, and the Company would continue to meet its liabilities as they fall due without taking mitigating actions.

As explained in note 28, on 17 October 2025 the Company and certain subsidiaries* entered into an agreement to extend the senior secured financing arrangement which was originally due to mature on 4 October 2026. The facility, totalling £95.7 million, has been extended by 12 months and now matures on 4 October 2027. The terms, interest rates and covenants are consistent with the original agreement, except for partial early repayment of principal £2.5 million on 30 September 2026. This provides the Directors with enhanced visibility and assurance regarding the Company's liquidity position, supporting their assessment that the going concern basis of preparation remains appropriate.

After making appropriate enquiries and considering the above, the Directors consider that it is appropriate to adopt the going concern basis in preparing the consolidated financial statements.

Events after the reporting period

In April 2025 the Company announced a restructuring of a number of support centre teams across Weymouth, London and Lymedale.

In October 2025, the Company and certain subsidiaries* entered into an agreement to extend the senior secured financing arrangement for a further 12 months, resulting in a maturity date of 4 October 2027.

* New Look Limited, Geometry Properties Limited, New Look Retailers (CI) Limited and New Look (Germany) GmbH

NEW LOOK RETAILERS LIMITED

DIRECTORS' REPORT (CONTINUED)

Indemnity insurance

The Company maintains qualifying third party indemnity provisions for its Directors and officers; this was in place for the year ended 29 March 2025 and up to the date of approval of the Directors' report.

Independent auditors

PricewaterhouseCoopers LLP have expressed their willingness to continue in office as auditors.

Statement of Directors' responsibilities in respect of the financial statements

The Directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial period. Under that law the Directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law). Under company law, Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing the financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 101 have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006.

Directors' confirmations

In the case of each Director in office at the date the Directors' Report is approved:

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

By order of the Board,



Helen Connolly
Director
23 October 2025

NEW LOOK RETAILERS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF NEW LOOK RETAILERS LIMITED

Report on the audit of the financial statements

Opinion

In our opinion, New Look Retailers Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 29 March 2025 and of its loss for the 52 week period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, including FRS 101 "Reduced Disclosure Framework", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual report and financial statements (the "Annual Report"), which comprise: the Balance sheet as at 29 March 2025; the Income statement, the Statement of comprehensive income, the Non-GAAP information, and the Statement of changes in equity for the period then ended; and the notes to the financial statements, comprising material accounting policy information and other explanatory information.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, as applicable to other entities of public interest, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

To the best of our knowledge and belief, we declare that non-audit services prohibited by the FRC's Ethical Standard were not provided.

Other than those disclosed in Note 6 to the financial statements, we have provided no non-audit services to the company or its controlled undertakings in the period under audit.

Conclusions relating to going concern

Our evaluation of the directors' assessment of the company's ability to continue to adopt the going concern basis of accounting included:

- Challenging assumptions and judgements made by management in their going concern forecasts
- Assessing the impact of loan refinance on the going concern forecasts, including management's consideration of forecast covenants
- Challenging the disclosures made by management within the Annual Report

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

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

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the company's ability to continue as a going concern.

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

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

NEW LOOK RETAILERS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF NEW LOOK RETAILERS LIMITED (CONTINUED)

Reporting on other information (continued)

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

With respect to the Strategic report and Directors' report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

Strategic report and Directors' report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic report and Directors' report for the period ended 29 March 2025 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic report and Directors' report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

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

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

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations related to employee related tax matters, corporate tax related matters, breaches of employment and environmental regulations, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to increase revenue or profits and management bias in significant accounting estimates and judgements.

NEW LOOK RETAILERS LIMITED
INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF NEW LOOK RETAILERS LIMITED
(CONTINUED)

Auditors' responsibilities for the audit of the financial statements (continued)

Audit procedures performed by the engagement team included:

- Discussing with management, internal audit, internal legal counsel, head of tax and the New Look Retail Holdings Limited ("the Group") Audit Committee, including consideration of known or suspected instances of non-compliance with laws and regulation or fraud;
- Assessment of matters reported on the Group's whistleblowing log and the results of management's investigation of such matters;
- Identifying and testing journal entries based on our risk assessment, in particular certain journal entries posted with unusual descriptions, unusual account combinations or posted by senior management and evaluating whether there was evidence of management bias that represents a risk of misstatement due to fraud;
- Incorporating elements of unpredictability into the audit procedures performed;
- Reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations; and
- Challenging assumptions and judgements made by management in their significant accounting estimates and judgements, in particular in relation to impairment assessments and the Company's going concern assessment.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

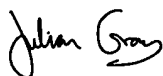
Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not obtained all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.



Julian Gray (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Southampton
23 October 2025

NEW LOOK RETAILERS LIMITED

Income statement

	Notes	For the financial periods	
		52 weeks ended	53 weeks ended
		29 March 2025	30 March 2024
		£'000	£'000
Revenue	5	687,730	735,403
Cost of sales		(356,605)	(377,305)
Gross profit		331,125	358,098
Gain on disposal/modification of right-of-use assets	6	570	4,137
Impairment charge on other receivables	6,9	(13,831)	-
Administrative expenses		(365,496)	(344,802)
Operating (loss)/profit	6	(47,632)	17,433
Finance income	8	1,438	1,075
Finance expense	8	(31,050)	(22,162)
Loss before taxation		(77,244)	(3,654)
Taxation	10	(31)	(55)
Loss for the period		(77,275)	(3,709)

The notes on pages 34 to 71 are an integral part of these financial statements.

NEW LOOK RETAILERS LIMITED

Statement of comprehensive income

	Notes	For the financial periods	
		52 weeks ended 29 March 2025	53 weeks ended 30 March 2024
		£'000	£'000
Loss for the period		(77,275)	(3,709)
Other comprehensive income/(expense):			
Items that may be subsequently reclassified to profit or loss:			
Cash flow hedges	19	-	(90)
Tax effects	10	-	23
Share issue	23	30,000	-
Capital contribution	23	50,158	-
Other comprehensive income/(expense) for the period, net of tax		80,158	(67)
Total comprehensive gain/(loss) for the period		2,883	(3,776)

The notes on pages 34 to 71 are an integral part of these financial statements.

NON-GAAP INFORMATION

Adjusted EBITDA, a non-GAAP measure, (see note 2.23) is calculated as follows:

	Notes	For the financial periods	
		52 weeks ended 29 March 2025	53 weeks ended 30 March 2024
		£'000	£'000
Operating (loss)/profit		(47,632)	17,433
Add back/(deduct):			
Exceptional items	9	46,122	15,767
Fair value movement of financial instruments	19	(1,287)	(2,465)
Impairment charge for tangible, intangible assets and right-of-use assets	12,13	1,181	489
SaaS expense	6	3,258	5,786
Depreciation	12,13	37,997	33,654
Amortisation	11	15,378	11,969
Adjusted EBITDA including IFRS 16	5	55,017	82,633
Impact of IFRS 16		(36,547)	(35,981)
Adjusted EBITDA	5	18,470	46,652

NEW LOOK RETAILERS LIMITED

Balance sheet

	Notes	As at	
		29 March 2025 £'000	30 March 2024 £'000
Non-current assets			
Intangible assets	11	36,084	40,042
Property, plant and equipment	12	19,702	19,374
Right-of-use assets	13	115,745	109,938
Investments	14	7,464	30,125
Other receivables	16	298	461
Deferred income tax assets	10	-	-
		179,293	199,940
Current assets			
Inventories	15	110,582	116,644
Trade and other receivables	16	31,065	39,756
Derivative financial instruments	19	429	302
Current tax assets		349	-
Cash and cash equivalents	26	44,399	25,019
		186,824	181,721
Total assets		366,117	381,661
Current liabilities			
Trade and other payables	17	(146,107)	(135,189)
Lease liabilities	13	(24,513)	(21,301)
Other financial liabilities		(759)	-
Derivative financial instruments	19	(2,513)	(3,673)
Provisions	20	(3,194)	(815)
		(177,086)	(160,978)
Non-current liabilities			
Lease liabilities	13	(107,238)	(98,625)
Other payables	17	(443)	(539)
Borrowings	18	(69,765)	(112,718)
Provisions	20	(96)	(195)
Deferred income tax liabilities	10	-	-
		(177,542)	(212,077)
Total liabilities		(354,628)	(373,055)
Net assets		11,489	8,606

NEW LOOK RETAILERS LIMITED

Balance sheet (continued)

	Notes	As at	
		29 March 2025 £'000	30 March 2024 £'000
Equity			
Share capital	23	1	1
Share premium	23	70,000	40,000
Hedging reserve		-	-
Capital contribution reserve	23	50,158	-
Accumulated losses		(108,670)	(31,395)
Total equity		11,489	8,606

The notes on pages 34 to 71 are an integral part of these financial statements.

The financial statements on pages 29 to 71 were approved by the Board of Directors on 23 October 2025 and were signed on its behalf by:



Helen Connolly

Director

New Look Retailers Limited
Company number: 01618428

NEW LOOK RETAILERS LIMITED

Statement of changes in equity

Attributable to the owners of New Look Retailers Limited

	Notes	Share capital £'000	Share premium £'000	Hedging reserve £'000	Capital contribution reserve £'000	Accumulated losses £'000	Total equity £'000
Balance at 25 March 2023		1	40,000	67	-	(27,686)	12,382
Comprehensive income							
Loss for the period		-	-	-	-	(3,709)	(3,709)
Other comprehensive (expense)/income							
Movements in hedged financial instruments	19	-	-	(90)	-	-	(90)
Tax on items recognised directly in equity	10	-	-	23	-	-	23
Total other comprehensive expense		-	-	(67)	-	-	(67)
Total comprehensive loss		-	-	(67)	-	(3,709)	(3,776)
Balance at 30 March 2024		1	40,000	-	-	(31,395)	8,606
Comprehensive income							
Loss for the period		-	-	-	-	(77,275)	(77,275)
Other comprehensive income							
Movements in hedged financial instruments	19	-	-	-	-	-	-
Tax on items recognised directly in equity	10	-	-	-	-	-	-
Share issue	23	-	30,000	-	-	-	30,000
Capital contribution	23	-	-	-	50,158	-	50,158
Total other comprehensive income		-	30,000	-	50,158	-	80,158
Total comprehensive income/(loss)		-	30,000	-	50,158	(77,275)	2,883
Balance at 29 March 2025		1	70,000	-	50,158	(108,670)	11,489

The notes on pages 34 to 71 are an integral part of these financial statements.

NEW LOOK RETAILERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

1 Authorisation of financial statements

The financial statements of the Company for the 52 week period ended 29 March 2025 were authorised for issue by the Board of Directors on 23 October 2025 and the balance sheet was signed on the Board's behalf by Helen Connolly. New Look Retailers Limited is a private company limited by shares incorporated and domiciled in England and Wales whose registered office is New Look House, Mercery Road, Weymouth, Dorset, DT3 5HJ, England. The registered number of the Company is 01618428. The principal activities of the Company have been disclosed in the Strategic Report (page 2).

2 Summary of material accounting policies

2.1 Basis of preparation

The Company financial statements for the period ended 29 March 2025 have been prepared in accordance with Financial Reporting Standard 101, 'Reduced Disclosure Framework' (FRS 101). The financial statements have been prepared on the going concern basis, under the historical cost convention, as modified by the revaluation of derivative financial assets and financial liabilities measured at fair value through profit or loss, and in accordance with the Companies Act 2006.

In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the UK (UK-adopted international accounting standards), but makes amendments where necessary in order to comply with the Companies Act 2006 and to take advantage of FRS 101 disclosure exemptions.

The Company has taken advantage of the following disclosure exemptions from the requirements of International Financial Reporting Standards (IFRS) in accordance with FRS 101:

- IFRS 7, 'Financial Instruments: Disclosures';
- Paragraphs 91 to 99 of IFRS 13, 'Fair value measurement' (disclosure of valuation techniques and inputs used for fair value measurement of assets and liabilities);
- Paragraph 38 of 'International Accounting Standard 1, Presentation of financial statements' (IAS 1) comparative information requirements in respect of paragraph 79(a)(iv) of IAS 1;
- The following paragraphs of 'International Accounting Standards, Presentation of financial statements' (IAS 1):
 - 10(d) (statement of cash flows)
 - 16 (statement of compliance with all IFRS)
 - 38A (requirement for minimum of two primary statements, including cash flow statements)
 - 38B-C (additional comparative information)
 - 111 (cash flow statement information)
 - 134-136 (capital management disclosures);
- IAS 7, 'Statement of cash flows';
- Paragraph 17 of IAS 24, 'Related party disclosures (key management compensation);
- The requirements of IAS 24, 'Related party disclosures' to disclose related party transactions entered into between two or more members of a group;
- The requirements of the second sentence of paragraph 110 and paragraphs 113(a), 114, 115, 118, 119(a) to (c), 120 to 127 and 129 of IFRS 15;
- Paragraph 73(e) of IAS 16, 'Property, plant and equipment' to disclose a reconciliation of the carrying amount of property, plant and equipment at the beginning and end of the comparative period; and
- Paragraph 118(e) of IAS 38, 'Intangible assets' to disclose a reconciliation of the carrying amount of intangible assets at the beginning and end of the comparative period.

The Company is a wholly owned subsidiary of New Look Limited and is included in the consolidated financial statements of New Look Retail Holdings Limited (together with its subsidiaries, "the Group"), which are publicly available. Consequently, the Company has taken advantage of the exemption from preparing consolidated financial statements under the terms of section 401 of the Companies Act 2006.

NEW LOOK RETAILERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Summary of material accounting policies (continued)

2.1 Basis of preparation (continued)

The preparation of financial statements in conformity with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The critical accounting estimates or areas of critical judgement identified by the Directors are set out in note 4. The principal accounting policies which have been applied consistently in the preparation of these financial statements are set out below.

2.1.1 Going concern

In determining the appropriate basis of preparation of the annual financial statements for the period ended 29 March 2025, the Directors are required to consider whether the Company can continue as a going concern for the foreseeable future and for at least 12 months from the approval of these financial statements.

The Directors have reviewed the projected results of the Company and the adequacy of its financial resources to continue in operational existence and to meet its obligations as they fall due over a 15-month period from the date of approval of these financial statements ("the going concern period"). The Directors have also considered the risks to the Company's trading performance, as summarised in the 'Risks and Uncertainties' section on pages 8 to 12.

The Company has prepared a forecast for the 15-month period to January 2027 ('base case scenario') which is derived from the board approved three-year business plan and considered the likely trading trends, based on information available at the time of preparation and recent history.

The base case scenario takes into account the ongoing uncertainties regarding external economic challenges, regulatory inflationary pressures and consumer demand. Within the base case, both retail and e-commerce margins are expected to improve due to reduced discounting and more stringent inventory control. Like-for-like (LFL) demand sales for e-commerce are anticipated to increase because of continued investment in digital initiatives and the projected shift of retail customers to our online platform, driven by expected store closures of underperforming stores. Therefore, LFL retail sales are prudently forecasted to decline. Under the base case scenario, the Company maintains sufficient headroom against the operational minimum cash balance required, as dictated by management, and does not breach the financial covenants.

The Directors have run various severe but plausible sensitivity scenarios on the projections to understand the liquidity position of the Company in the event of:

- No EBITDA growth for continuing operations is projected over the next 12 months (October 2025 to September 2026), reflecting the poor performance in FY25, which is not tracking to recur. The remainder of FY27 is maintained at the base case level. As a result, the P6 FY27 Last Twelve Months ('LTM') EBITDA aligns with the P6 FY26 LTM actual performance. Under this scenario, the Company's cash balance remains above the minimum required level, no financial covenants are breached, and the Company continues to meet its liabilities as they fall due without the need for mitigation actions.
- A reduction in UK retail sales during the peak trading seasons of FY26 and FY27 of up to 20% compared to the base case, mirroring the seasonal pattern of the prior year, with half of the associated sales miss recovered through stock clearance in January of the respective years. Trading performance returns to budget from February in both years until the end of the going concern period. In this scenario, the Company's cash balance remains above the minimum required cash level, no financial covenants are breached, and the Company would continue to meet its liabilities as they fall due without taking mitigating actions.

As explained in note 28, on 17 October 2025 the Company and certain subsidiaries* entered into an agreement to extend the senior secured financing arrangement which was originally due to mature on 4 October 2026. The facility, totalling £95.7 million, has been extended by 12 months and now matures on 4 October 2027. The terms, interest rates and covenants are consistent with the original agreement, except for partial early repayment of principal £2.5 million on 30 September 2026. This provides the Directors with enhanced visibility and assurance regarding the Company's liquidity position, supporting their assessment that the going concern basis of preparation remains appropriate.

After making appropriate enquiries and considering the above, the Directors consider that it is appropriate to adopt the going concern basis in preparing the consolidated financial statements.

* New Look Limited, Geometry Properties Limited, New Look Retailers (CI) Limited and New Look (Germany) GmbH

NEW LOOK RETAILERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

2 Summary of material accounting policies (continued)

2.2 Changes in accounting policy and disclosures

- a) *Standards, amendments and interpretations that were effective in the period and were adopted by the Company in preparing the financial statements.*

Amendments to IAS 1 ‘Presentation of Financial Statements’ – non- current liabilities with covenants – relating to classification of liabilities as current or non-current – effective for accounting periods beginning on or after 1 January 2024.

Amendment to IAS 7 and IFRS 7 Supplier finance– effective for accounting periods beginning on or after 1 January 2024.

- b) *Standards, amendments and interpretations to existing standards that are not yet effective and have not been adopted early by the Company. The Company is still considering the impact of these changes, but any impact is not expected to be material to the Company’s financial statements, unless stated otherwise below. No other existing standards that are not effective are relevant to the Company’s operations.*

Amendments to IAS 21 ‘The Effects of Changes in Foreign Exchange Rates’ – relating to lack of exchangeability – effective for accounting periods beginning on or after 1 January 2025.

Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7) - effective for accounting periods beginning on or after 1 January 2026.

IFRS 18 Presentation and Disclosure in Financial Statements - effective for accounting periods beginning on or after 1 January 2027. This standard is expected to have a material impact on the Group.

IFRS 19 Subsidiaries without Public Accountability: Disclosures - effective for accounting periods beginning on or after 1 January 2027.

2.3 Revenue

Revenue is recognised when performance obligations are satisfied, at the transaction price allocated to that obligation. Amounts disclosed as revenue represent amounts received and receivable for goods and services provided to customers outside the Company, stated net of returns, staff discounts, and value added and other sales taxes. All revenue is recognised at a point in time unless otherwise stated.

Further details are provided below:

- Sales of goods and concession income are recognised when control passes which is deemed to be when goods are delivered, and title passed;
 - Store sales are recognised when goods are sold to the customer.
 - E-commerce sales are recognised on dispatch to the customer rather than when goods are delivered to the customer for practical purposes, the impact of which is not material to the Company’s results.
 - Revenue from 3rd party e-commerce sales made on a Business to Business basis is recognised on delivery of stock and is based on the price specified in the contract (net of volume based rebates). Revenue from 3rd party e-commerce sales made via a 3rd party website concession is recognised on dispatch to the end customer rather than when goods are delivered to the customer for practical purposes, the impact of which is not material to the Company’s results;
 - Franchise royalty income is recognised in accordance with the related underlying trading performance of the franchisee. Monthly income covering the supply of goods to the franchisee is included in the sale of goods; and
 - Payment of the transaction price is due immediately when the customer purchases goods in store or online and on standard payment terms for 3rd party e-commerce and franchise partners.

NEW LOOK RETAILERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

2 Summary of material accounting policies (continued)

2.3 Revenue (continued)

- Revenue from concessions, being the commission received rather than the gross value achieved by the concessionaire on the sale, is shown on a net basis as the Company acts as an agent. Payment of the transaction price is due immediately when the customer purchases goods in store or online.

It is the Company's policy to sell its products to the end customer with a right of return. Therefore, a refund accrual (included in trade and other payables) and a right to the returned goods (included in inventories) are recognised for the products expected to be returned. Refund accruals are estimated based on accumulated experience as this method best predicts the amounts of variable consideration to which the Company will be entitled. The Company bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

Gift card sales are deferred and subsequently recognised when redeemed by the customer or on expiry. The deferred income balance relating to gift cards is recognised as a contract liability. Contract liabilities are presented as deferred income as shown in note 17. An estimate of breakage is made on the sale of a gift card and recognised over the expected pattern of usage of gift cards.

2.4 Cost of sales

Cost of sales consists of expenses incurred in bringing products to a saleable position and condition. Such costs principally include purchasing of products from suppliers, packaging, freight and distribution costs. Depreciation and amortisation relating to assets at the distribution centre are presented within cost of sales.

In addition, cost of sales also includes volume based rebate income from suppliers. These rebates are recognised when contractually agreed volume thresholds are expected to be met. The amount of rebate recognised is the proportion of the total rebate due based on actual volumes achieved in the period.

Credit card charges are presented within administrative expenses.

2.5 Finance income and expense

Interest income and expense is accounted for on the accruals basis, by reference to the principal outstanding and the applicable effective interest rate, which is the rate that exactly discounts the estimated future cash payments or receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset or liability.

2.6 Exceptional items

Significant items of income and expense that are not considered in the ordinary course of business are disclosed in the adjusted EBITDA reconciliation as exceptional items. The separate reporting of exceptional items helps provide an indication of the Company's underlying trading performance. Items which may be classified as exceptional include:

Item	Distorting due to irregular nature year on year	Does not reflect operational activity of the Company	Does not reflect operational performance of continuing business
Lease modifications as a result of CVA	X		
Costs of restructuring and reorganisation of the business including strategic validation exercises		X	
TUPE liabilities in respect of terminated contracts	X		
Costs incurred as part of the review of business financing not eligible to be treated as debt issue costs		X	
Impairment of investments and intercompany receivables and payables			X
Costs incurred in relation to the exit of international businesses			X

NEW LOOK RETAILERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

2 Summary of material accounting policies (continued)

2.7 Foreign currencies

(a) Functional and presentational currency

Items included in the financial statements are measured in Sterling, which is the currency of the primary economic environment in which the Company operates ('the functional currency'). The financial statements are presented in Sterling, which is the Company's presentational currency.

(b) Transactions and balances

Transactions in foreign currencies, which are those other than the functional currency of the Company, are recorded at the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the rates ruling at the balance sheet date. Resulting exchange gains or losses are recognised in the income statement in the same place as the underlying transaction except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to cash and cash equivalents are presented in the income statement within administrative expenses.

2.8 Intangible assets

Intangible assets acquired separately are capitalised at cost. Software licences include both external direct costs of goods and services, and internal payroll related costs for employees who are directly associated with the software project.

Internally generated intangible assets are capitalised when certain criteria are met in accordance with IAS 38, otherwise this expenditure is charged against income in the period in which it is incurred.

The useful lives of these intangible assets are assessed to be either finite or indefinite. Intangible assets with an indefinite life are not amortised but are subject to an impairment test as described in note 2.10. Intangible assets with a finite life are amortised on a straight-line basis through administrative expenses, based on the useful life shown below:

<i>Asset Category</i>	<i>Useful life</i>
Brands	25 years
Software licences	1 to 5 years

Intangible assets with finite lives are assessed for impairment in accordance with note 2.10.

Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses.

2.9 Property, plant and equipment

Property, plant and equipment is stated at cost less accumulated depreciation and any provision for impairment. Cost includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for its intended use.

Subsequent costs are included in the asset's carrying amount only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. Subsequent costs are depreciated over the asset's remaining useful economic life. The carrying amount of a replaced part is derecognised. All other repairs and maintenance expenses are charged to the income statement during the financial period in which they are incurred.

Depreciation is provided to write down the cost of property, plant and equipment to its estimated residual value over its remaining useful life on a straight-line basis.

<i>Asset Category</i>	<i>Useful life</i>
Fixtures and equipment	1 to 15 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

NEW LOOK RETAILERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

2 Summary of material accounting policies (continued)

2.10 Impairment of non-financial assets

Assets that have an indefinite useful life are not subject to amortisation but are tested annually for impairment. Assets that are subject to amortisation or depreciation are reviewed for impairment whenever events or changes in circumstances indicate that the net carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest level for which there are separately identifiable cash flows, cash generating units (CGUs).

For non-financial assets, impairment losses are reviewed for possible reversal at each reporting date. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation or amortisation, had no impairment loss been recognised for the asset in prior periods. Such reversal is recognised in the income statement unless the asset is carried at a revalued amount.

2.11 Financial instruments

(a) Derivative financial instruments

Derivative financial instruments ('derivatives') are used to manage risks arising from changes in foreign currency exchange rates relating to the purchase of overseas sourced products. In accordance with the Group treasury policy, the Company does not enter into derivatives for speculative purposes. Derivatives with the characteristics laid out in IFRS 9 are stated at fair value in the balance sheet.

The fair value of derivative contracts is their market value at the balance sheet date. Market values are calculated using mathematical models and are based on the duration of the derivative instrument together with quoted market data including foreign exchange rates and market volatility at the balance sheet date.

(b) Hedge accounting

The Company applies IFRS 9 and for the purpose of hedge accounting designates derivatives as either:

- fair value hedges where they hedge the exposure to changes in the fair value of a recognised asset or liability; or
- cash flow hedges where they hedge exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a forecast transaction.

The Company documents at the inception of the hedging transaction the relationship between hedging instruments and hedged items, as well as its risk management objectives and strategy for undertaking the transaction. The Company also documents the assessment, both at hedge inception and on an ongoing basis, of whether the derivatives that are used in hedging transactions have been and will continue to be highly effective in offsetting changes in fair values or cash flows of hedged items.

A hedging relationship qualifies for hedge accounting if it meets all of the following effectiveness requirements:

- There is an "economic relationship" between the hedged item and the hedging instrument;
- The effect of the credit risk does not "dominate the value changes" that result from the economic relationship; and
- The hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged items that the Company actually hedges and the quantity of the hedging instrument that the Company actually uses to hedge that quantity of the hedged item.

There is an economic relationship between the hedged items and the hedging instruments as the terms of the foreign exchange contracts match the terms of highly probable forecast transactions. The Company has established a hedge ratio of 1:1 for the hedging relationships as the underlying risk of the foreign exchange contracts are identical to the hedged risk components. To test hedge effectiveness, the Company uses the hypothetical derivative method and compares the changes in the fair value of the hedging instruments against the changes in the fair value of the hedged items attributable to the hedged risks.

NEW LOOK RETAILERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

2 Summary of material accounting policies (continued)

2.11 Financial instruments (continued)

(b) *Hedge accounting (continued)*

In these hedge relationships, the main source of ineffectiveness is a difference in the timing or change to the forecasted amount of the cash flows of the hedged items and the hedging instruments.

Changes in the fair value of derivatives which do not qualify for hedge accounting are recognised in the income statement as they arise.

(c) *Hedge accounting - cash flow hedges*

The Company uses forward currency contracts, which are designated and qualify as cash flow hedges, to hedge its exposure to foreign currency risk in forecast transactions and firm commitments. The Company designates the change in fair value relating to both the spot and forward components as the hedging instrument. The effective portion of changes in fair value is recognised in other comprehensive income through the hedging reserve. The gain or loss relating to the ineffective portion is recognised immediately in the income statement, in the same location as the changes in the cash flows of the hedged asset or liability that are attributable to the hedged risk. Amounts accumulated in equity are reclassified to the income statement in the periods when the hedged item affects profit or loss.

When a cash flow hedging instrument expires or is sold, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss existing in the hedging reserve at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in the income statement. If a hedged transaction is no longer expected to occur, the net cumulative gain or loss recognised in the hedging reserve in equity is immediately reclassified to the income statement within fair value movements on financial instruments for the period.

(d) *Embedded derivatives*

Derivatives embedded in other financial instruments or other host contracts are treated as separate derivatives when their risks and characteristics are not closely related to those of the host contracts. The unrealised gains and losses on embedded derivatives are taken directly to the income statement.

All loans and borrowings are initially recognised at fair value net of issue costs associated with the borrowing. All deposits are initially recognised at cost.

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method. Amortised cost is calculated by taking into account any issue costs, and any discount or premium on settlement.

Interest costs are expensed in the income statement so as to achieve a constant finance cost as a proportion of the related outstanding borrowings.

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less loss allowance. The Company applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables and contract assets. The amount of the loss allowance is the difference between the asset's net carrying amount and the present value of the estimated future cash flows, discounted at the original effective interest rate.

Trade and intercompany payables are initially recognised at fair value and subsequently measured at amortised cost. Trade payables include invoices for certain suppliers settled by the operating facilities provided by the Group's core operating bank. This includes products such as letters of credit and other trade facilities which provide suppliers the ability to advance payment against invoices submitted. Supplier invoice financing agreements are bilateral, between the bank and the supplier with the finance cost settled by the supplier.

Intercompany receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less loss allowance. The Company applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for intercompany trade receivables.

NEW LOOK RETAILERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

2 Summary of material accounting policies (continued)

2.11 Financial instruments (continued)

(e) *Non-derivative financial instruments*

Financial guarantee contracts are recognised as a financial liability at the time the guarantee is issued. The liability is initially measured at fair value and subsequently at the higher of:

The amount determined in accordance with the expected credit loss model under IFRS 9,

The amount initially recognised less, where appropriate, the cumulative amount of income recognised in accordance with the principles of IFRS 15.

The fair value of financial guarantees on initial recognition equals the present value of the premium in an arm's length transaction.

2.12 Inventories

Inventories are valued at the lower of cost and net realisable value, using the weighted average cost basis. Costs include the direct costs (measured at actual cost) incurred in bringing inventories to their current location and condition, plus an attributable proportion of distribution overheads.

Net realisable value is the estimated selling price in the ordinary course of business, less further costs to be incurred to disposal. Inventories include spare parts for machinery used in the Lymedale distribution centre.

2.13 Cash and cash equivalents

Cash and cash equivalents includes cash in hand, credit card receivables and deposits held at call with banks and financial institutions.

2.14 Taxation

The income tax expense or credit for the period is the tax payable or receivable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge or credit is calculated on the basis of the tax laws and rates related to the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes current tax assets and liabilities and provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax is recognised on all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the Company financial statements, with the following exceptions:

- Where the temporary difference arises from the initial recognition of goodwill or a non-business combination asset or liability;
- In respect of taxable temporary differences associated with investments in subsidiaries, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future; and
- Deferred tax assets are recognised only to the extent that it is probable that taxable profits will be available against which the deductible temporary differences, carried forward tax credits or tax losses can be utilised.

Deferred income tax is determined using tax rates and laws that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets and liabilities are offset against each other when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the Company intends to settle its current tax assets and liabilities on a net basis.

NEW LOOK RETAILERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

2 Summary of material accounting policies (continued)

2.14 Taxation (continued)

Tax is recognised in the income statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

2.15 Investments

Investments are stated at historical cost less provisions for impairment. The need for any investment impairment write down is assessed by comparing the carrying value of the assets against the higher of its fair value less costs to sell or its value in use, in line with note 2.10. A review of investments is performed at the end of the first full period following acquisition and in other periods if there is an indication of impairment.

2.16 Employee benefit costs

(a) Pension obligations

The Company accounts for pensions and other post-retirement benefits under IAS 19.

The Company only operates defined contribution pension schemes. The Company has no further payment obligations once contributions have been paid. Payments to defined contribution plans are recognised as an expense when the contributions fall due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

(b) Termination benefits

Termination benefits are payable when employment is terminated by the Company before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Company recognises termination benefits when it is demonstrably committed to either: terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal; or providing termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits falling due more than 12 months after the balance sheet date are discounted to their present value.

2.17 Share based payments ("SBP")

The Management Incentive Plan ("MIP") is accounted for as equity settled.

The cost of the equity settled transactions with employees is measured by reference to the fair value at the date at which they are granted and is recognised as an expense over the vesting period, which ends on the date on which the relevant employees become fully entitled to the award. Fair value is determined using an IFRS 2 compliant pricing model.

The Company revises its estimates of the number of options or shares that are expected to vest. The impact of the revision, if any, is recognised in the income statement with a corresponding adjustment to liabilities or reserves.

A provision is recognised for 'Good Leavers' based on the number of shares held and with reference to the market value at the measurement date.

2.18 Provisions

A provision is recognised when the Company has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of resources will be required to settle the obligation, and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the obligation using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the obligation.

Provisions for restructuring costs are recognised when the Company has a detailed formal plan for the restructuring that has been communicated to affected parties.

NEW LOOK RETAILERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

2 Summary of material accounting policies (continued)

2.19 Leases

The Company leases various retail properties, equipment, vehicles, offices and the distribution centre. Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Company.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- Fixed payments, less any lease incentives receivables;
- Variable lease payments that are based on an index or a rate, initially measured using the index or rate as at the commencement date;
- Amounts expected to be payable by the Company under residual value guarantees;
- The exercise price of a purchase option if the Company is reasonably certain to exercise that option; and
- Payments of penalties for terminating the lease, if the lease term reflects the Company exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is the case for all leases in the Company, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

The Company is exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset. The Company is also exposed to potential future increases in variable lease payments based on turnover following the 2020 CVA.

Lease payments are allocated firstly to finance costs and the remaining to principal. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Lease liabilities are remeasured:

- where there is a change in the assessment of exercise of an option that is within the control of the lessee, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate;
- where the lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using the initial discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used);
- at each anniversary of the CVA to reflect the minimum rent clause which applies to year two of the CVA under which the minimum rent payable will be 85% of the rent payable in year one and in year three the minimum rent will be 85 % of the rent payable in year two; or
- where the lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.

When the lease liability is remeasured, an equivalent adjustment is made to the right-of-use asset unless its carrying amount is reduced to zero, in which case any remaining amount is recognised in profit or loss.

Right-of-use assets are measured at cost comprising the following:

- The amount of the initial measurement of lease liability;
- Any lease payments made at or before the commencement date less any lease incentives received;
- Any initial direct costs; and
- Restoration costs.

NEW LOOK RETAILERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

2 Summary of material accounting policies (continued)

2.19 Leases (continued)

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Company is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Lease income from operating leases where the Company is a lessor is recognised in income on a straight-line basis over the lease term. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying asset and recognised as expense over the lease term. The respective leased assets are included in the balance sheet based on their nature.

Payments associated with short term leases, low-value leases and turnover rents are recognised on a straight-line basis as an operating expense in the income statement. Short term leases are leases with a lease term of 12 months or less and low-value leases are leases on assets with a value of less than \$5,000.

2.20 Share capital

Ordinary share capital is classified as equity. 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 Company after deducting all of its liabilities.

2.21 Segment reporting

Operating segments by brand and geography are determined in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board.

2.22 Dividend distribution

Dividend distribution to the Company's shareholders is recognised as a liability in the Company's financial statements in the period in which the dividends are approved by the Company's shareholders. Dividends are only declared when the Directors are satisfied that the Company has sufficient distributable reserves to do so.

2.23 Adjusted EBITDA

In addition to the information required by IFRS and to assist with the understanding of earnings trends, the Company has included within its financial statements a non-IFRS measure referred to as adjusted EBITDA. Management consider that adjusted EBITDA reflects the trading performance of the Company's omnichannel operations as it focuses on the ongoing trading activity of the Company by excluding irregular items, the impact of financing and capital expenditure and other specific non-trade related accounting adjustments.

Adjusted EBITDA including IFRS 16 is operating profit before exceptional items, the movements in fair value of financial instruments, the impairment charge or write back of tangible, intangible assets and right-of-use assets, the charge related to SaaS arrangements, depreciation and amortisation. The charge related to SaaS arrangements reflects costs that would ordinarily be capitalised if the underlying project was not a cloud computing based investment.

Adjusted EBITDA is adjusted EBITDA including IFRS 16 with an add back in respect of contractual rent payments, lease incentives and initial direct costs which under IFRS 16 are no longer recognised within operating profit and therefore deducted from this measure in order to present a fair measure of profitability. Adjusted EBITDA also includes an adjustment to remove any gains/losses on the disposal/modification of leases under IFRS 16. Adjusted EBITDA is reconciled to operating profit on page 30.

NEW LOOK RETAILERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

3 Financial risk management

The Company's operations expose it to foreign exchange risk, interest rate risk, credit risk, liquidity risk and capital risk management.

Foreign exchange rate risk

Foreign exchange rate risk is managed on a Group basis. Foreign exchange rate risk is the risk that the fair value of a financial commitment, recognised financial assets or financial liabilities will fluctuate due to changes in foreign currency exchange rates.

The Company operates internationally and is exposed to foreign exchange rate risk arising from various currency exposures, primarily with respect to the Euro and US dollar. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities.

The Company's principal foreign exchange rate exposures are as follows:

- Purchase of overseas sourced products. Company policy is to hedge a proportion of these exposures for up to 15 months ahead in order to limit the volatility in the ultimate Sterling cost. This hedging activity could involve the use of spot, forward and option contracts.
- Foreign currency cash balances. During the period ended 29 March 2025 the Company had cash balances denominated in Euros and US dollars. These balances were revalued into Sterling equivalent balances at the prevailing spot foreign exchange rate.
- Foreign currency denominated balances with other Group companies. During the period ended 29 March 2025 the Company had intercompany receivables and payables denominated in Euros. These balances were revalued into Sterling equivalent balances at the prevailing spot foreign exchange rate.

During the period ended 29 March 2025, if Sterling had weakened by 5.0% against the US dollar with all other variables held constant, post-tax loss (2024: loss) for the period would have been £3,190,000 lower (2024: £5,246,000 lower), mainly as a result of the movement in fair value of forward currency contracts not held for hedging (2024: movement in fair value of forward currency contracts not held for hedging); post-tax increase in shareholder's surplus would have been £4,179,000 higher (2024: unchanged) as a result of the movement in fair value of forward currency contracts not held for hedging (2024: movement in fair value of forward currency contracts not held for hedging).

Interest rate risk

Interest rate risk is managed on a Group basis. The Company's principal interest rate risk arises from floating rate borrowings on the revolving credit facility and term loan borrowings.

The Company earns interest income on surplus liquidity at variable rates where the yield tracks in line with benchmark rates set by the Bank of England. This exposure is not deemed significant. Interest rate risks are presented by way of sensitivity analyses in accordance with IFRS 7. These show the effects of changes in market interest rates on interest payments, interest income and expense and other income components.

The interest rate sensitivity analyses are based on the following assumptions:

- Currency derivatives are not exposed to interest rate risks and are therefore not included in the interest rate sensitivity calculations.

During the period ended 29 March 2025, if interest rates on floating rate borrowings had been 100 basis points higher (2024: 100 bp higher) with all other variables held constant, post-tax loss (2024: loss) for the period would have been £558,000 higher (2024: £628,000 higher) due to the higher interest payable on the revolving credit facility and term loan borrowings.

NEW LOOK RETAILERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

3 Financial risk management (continued)

Credit risk

Credit risk is managed on a Group basis. Credit risk arises from cash and cash equivalents, in the money derivative financial instruments and deposits with banks and financial institutions, as well as credit exposures to wholesale and retail customers, including outstanding receivables and committed transactions. If wholesale customers are independently rated, these ratings are used. Otherwise, if there is no independent rating, risk control assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the Group Board. For certain overseas customers the Group requests bank guarantees in the form of a standby letter of credit or similar security. The utilisation of credit limits is regularly monitored. Sales to retail customers are required to be settled in cash, using major credit cards or via a pay later service provider, mitigating credit risk.

The credit ratings of banks with which the Company has investments of cash surpluses, borrowings or derivative financial instruments are reviewed regularly by management. Each bank is assessed individually with reference to the credit it holds, and deposit limits are set, which are approved by the Board and reconsidered if the Fitch, Moody or S&P credit rating falls below an 'A' rating.

The Company applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables.

Expected credit loss allowances are based on an individual assessment of each receivable, which is informed by past experience, and are recognised at amounts equal to the losses expected to result from all possible default events over the life of each receivable. The Company also considers the days past due, current and forward-looking information to establish the loss allowance on each receivable. The forward looking aspect of IFRS 9 requires judgement as to how changes in economic factors might affect expected credit losses.

Trade receivables are written off when there is no reasonable expectation of recovery, such as a customer failing to engage in a repayment plan with the Company. Impairment losses on trade receivables are presented as net impairment losses within operating loss. Subsequent recoveries of amounts previously written off are credited against the same line item.

Amounts due from Group undertakings are repayable on demand and as such expected credit losses are based on the assumption that the repayment of the amounts due are demanded at the reporting date.

Liquidity risk

Liquidity risk is managed on a Group basis. Liquidity risk is the risk that the Company cannot settle its liabilities as they fall due. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions in order to meet operational needs. The Group treasury function maintains availability under committed credit lines, where possible.

Management monitors rolling forecasts of the Group's liquidity position which at 29 March 2025 comprised cash and cash equivalents £5,491,000 (2024: £4,164,000) of availability under the asset-backed revolving credit facility.

The Company is an obligor under the Group's financing arrangements.

Capital risk management

Capital risk is managed on a Group basis. The Group's principal objective when managing capital is to safeguard the Group's ability to continue as a going concern in order to provide returns to shareholders and benefits for stakeholders.

The Company is an obligor under the Group's financing arrangements.

The Group must ensure sufficient capital resources are available for working capital requirements and meeting principal and interest payment obligations as they fall due, see further detail in note 2.1.1.

NEW LOOK RETAILERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

4 Critical accounting estimates, judgements and assumptions

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 Company makes estimates, judgements and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates, judgements and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial period are discussed below:

Significant estimates and assumptions

(a) *Estimated impairment of assets with finite lives*

The Company tests whether tangible, intangible and right-of-use assets have suffered any impairment in accordance with the accounting policy in note 2.10. The recoverable amounts of cash-generating units have been determined based on the higher of value in use or fair value less costs to sell. These calculations require the use of significant estimates relating to forecast cash flows and pre-tax discount rates as detailed in notes 11 and 12.

Significant judgements

(b) *Lease term*

The Company applies judgement in determining the reasonably certain end date of leases that contain break and/or extension options. The Company has assessed on a store by store level the expected lease end date based on current store performance and management intentions for maintaining or closing stores. The Company is potentially exposed to future cash flows not reflected in the measurement of the lease liabilities should management choose not to break or to extend the lease term which differs to the current judgements applied.

(c) *Incremental borrowing rate - leases*

The Company applies judgement in determining the incremental borrowing rate used to calculate the lease liability, as disclosed in note 13, since the interest rate implicit in each lease cannot be readily determined. The incremental borrowing rate is calculated using the risk-free borrowing rate of the domestic currency of the country in which the lease is located, over a similar lease term plus an appropriate credit margin. The credit margin is based on the balance sheet position of the Company and the interest rate applicable on the external debt. The incremental borrowing rate is set at the time of inception of the lease and updated quarterly for new leases in the following period.

(d) *Recognition of deferred tax assets*

Deferred tax assets and liabilities require judgement in determining the amounts to be recognised. In particular, judgement is used when assessing the extent to which deferred tax assets should be recognised, taking into account the expected timing and level of future taxable profits of the Company. The nature and extent of evidence which supports the conclusion that it is probable that future taxable profit will be available are assessed thoroughly. All evidence is considered when assessing if it is probable that future taxable profits will be available, both negative and positive. In order to conclude if future taxable profits will be available, positive evidence should outweigh existing negative evidence and the probability must pass the "more likely than not" threshold (i.e. > 50%).

(e) *Exceptional items*

The Company applies judgement in identifying the significant non-recurring items of income and expense that are recognised as exceptional to help provide an indication of the Company's underlying trading performance. See notes 2.6 and 9 for a description of exceptional items and the Company's assessment for identifying each item as exceptional.

(f) *Cloud computing arrangements*

The Company applies judgement in determining whether costs incurred in cloud computing arrangements (SaaS arrangements) should be capitalised or expensed following the IFRS Interpretations Committee's agenda decision in respect of accounting for configuration and customisation costs in SaaS arrangements.

NEW LOOK RETAILERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

(g) *Going concern*

The Directors apply judgement to assess whether it is appropriate for the Company to be reported as a going concern, by considering the business activities and the Company’s principal risks and uncertainties. Details of the considerations made by the Directors as part of the assessment of going concern are included within the Directors’ Report (see page 24) and within the basis of preparation (see note 2.1.1).

5 Segment information

Management has determined the operating segments based on the reports reviewed by the Board that are used to make strategic decisions.

The Board considers the business from a New Look brand perspective. The New Look brand consists of the UK Retail, e-commerce, 3rd party e-commerce and franchise segments. All Franchise stores closed during the period ended 30 March 2024 and, therefore, Franchise will cease as a reportable segment going forwards.

The results of the French, German and the Rest of the World websites are included within the e-commerce segment. Whilst it is possible to separately identify the sales for these sites, costs are not allocated to each individual site as they are all reported within the e-commerce segment and CGU.

The reportable segments derive their revenue primarily from the sale of retail goods and gross concession sales. The UK Retail segment includes rental income and store card income.

The Board assesses the performance of the reportable segments based on revenue grossed up to include the sales of concessions (‘segmental gross transactional value’) and on a measure of adjusted EBITDA (see definitions in note 2.23). Interest income and expenditure are not allocated to segments, as this type of activity is driven by the central treasury function, which manages the cash position of the Group. Transfer prices between operating segments are on an arm’s length basis in a manner similar to transactions with third parties.

The segment information provided to the Board is as follows:

	For the financial periods	
	52 weeks ended 29 March 2025 £’000	53 weeks ended 30 March 2024 £’000
External Revenue		
- UK Retail	488,469	538,516
- E-commerce ⁽¹⁾	208,528	217,458
- 3rd party e-commerce	26,831	24,187
- Franchise	-	146
Segmental gross transactional value	723,828	780,307
Adjustment to state concession income on a net basis for statutory reporting purposes ⁽²⁾	(36,098)	(44,904)
Total external revenue	687,730	735,403

⁽¹⁾ E-commerce sales include £6,516,000 (2024: £6,778,000) for the French, German and Rest of the World websites made in Euros.

⁽²⁾ £26,991,000 relates to UK Retail (2024: £33,404,000) and £9,106,000 relates to E-commerce (2024: £11,500,000)

The revenue from external parties reported to the Board is measured in a manner consistent with that in the income statement except for the gross up of store concessions sales.

NEW LOOK RETAILERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

5 Segment information (continued)

	For the financial periods	
	52 weeks ended	53 weeks ended
	29 March 2025	30 March 2024
	£'000	£'000
Adjusted EBITDA including IFRS 16		
- UK Retail	3,930	32,132
- E-commerce	42,877	45,213
- 3rd party e-commerce	8,210	5,370
- Franchise	-	(82)
Total adjusted EBITDA including IFRS 16	55,017	82,633

	For the financial periods	
	52 weeks ended	53 weeks ended
	29 March 2025	30 March 2024
	£'000	£'000
Adjusted EBITDA		
- UK Retail	(32,224)	(3,781)
- E-commerce	42,484	45,145
- 3rd party e-commerce	8,210	5,370
- Franchise	-	(82)
Total adjusted EBITDA	18,470	46,652

	For the financial periods	
	52 weeks ended	53 weeks ended
	29 March 2025	30 March 2024
	£'000	£'000
Capital expenditure		
- UK Retail	15,214	17,093
- E-commerce	5,022	5,835
- 3rd party e-commerce	-	-
- Franchise	-	-
Total capital expenditure	20,236	22,928

NEW LOOK RETAILERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

5 Segment information (continued)

	For the financial periods	
	52 weeks ended	53 weeks ended
	29 March 2025	30 March 2024
	£'000	£'000
Depreciation and amortisation		
- UK Retail	44,110	37,217
- E-commerce	9,005	8,135
- 3rd party e-commerce	260	271
- Franchise	-	-
Total depreciation and amortisation	53,375	45,623

	For the financial periods	
	52 weeks ended	53 weeks ended
	29 March 2025	30 March 2024
	£'000	£'000
Impairment charge		
- UK Retail	1,181	489
- E-commerce	-	-
- 3rd party e-commerce	-	-
- Franchise	-	-
Total impairment	1,181	489

All of the Company's fixed assets and intangible assets are located in the UK.

NEW LOOK RETAILERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

6 Operating (loss)/profit

	For the financial periods	
	52 weeks ended	53 weeks ended
	29 March 2025	30 March 2024
	£'000	£'000
Operating (loss)/ profit is stated after charging/(crediting):		
Cost of inventories recognised as an expense through cost of sales	252,121	268,009
Write down of inventories to net realisable value through cost of sales	11,660	13,741
Distribution centre costs	29,498	32,048
Staff costs (note 7a)	145,251	140,497
Temporary and contract staff costs	8,544	7,966
Marketing costs	32,357	30,398
Auditors' remuneration – audit services*	809	831
Auditors' remuneration – non-audit services		
Other assurance services	7	16
All other services	1	1
Rent on short term leases and turnover rent	13,845	15,447
Estate costs (excluding rent)	73,644	80,167
Loss on disposal of intangible assets and property, plant and equipment	149	148
Net foreign exchange differences	1,765	1,592
Depreciation of property, plant and equipment	8,028	8,015
Impairment charge for property, plant and equipment	310	225
Amortisation of intangible assets	15,378	11,969
Depreciation of right-of-use assets	29,969	25,639
Impairment charge for right-of-use assets	871	264
Gain on disposal/modification of right-of-use assets	(570)	(4,137)
Impairment charge on investments	-	11,829
Impairment charge on intercompany receivables	-	481
Impairment charge on other receivables	13,831	-
SaaS expense	3,258	5,786
Fair value movement of financial instruments	(1,287)	(2,465)

* Auditors' remuneration includes fees payable by the Company in relation to services received by other Group companies. Auditors' remuneration relating to the Company is £783,000 (2024: £815,000).

NEW LOOK RETAILERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

7a Staff costs

	For the financial periods	
	52 weeks ended 29 March 2025 £'000	53 weeks ended 30 March 2024 £'000
Wages and salaries	131,074	127,276
Social security costs	10,978	10,178
Other pension costs (note 24)	3,199	3,043
	145,251	140,497
Share based payment expense (note 22)	-	-
	145,251	140,497

In addition to the above, costs relating to temporary and contract staff total £8,544,000 (2024: £7,966,000).

The average monthly number of persons (including Statutory Directors) employed by the Company during the period was:

	For the financial periods	
	52 weeks ended 29 March 2025 Number	53 weeks ended 30 March 2024 Number
Administration and distribution	1,976	1,959
Retailing	5,721	6,061
	7,697	8,020

7b Directors' remuneration

The Directors' emoluments table below includes aggregate emoluments of all Directors of the Company who provided qualifying services during the financial periods.

	For the financial periods	
	52 weeks ended 29 March 2025 £'000	53 weeks ended 30 March 2024 £'000
Aggregate emoluments in respect of qualifying services	1,451	1,465
Compensation for loss of office	-	-
Payments to defined contribution pension schemes	83	82
	1,534	1,547

No (2024: two) Directors purchased a beneficial interest in shares of New Look Retail Holdings Limited in the period.

During the financial period, three (2024: three) Directors received emoluments in respect of qualifying services.

Retirement benefits are accruing to three (2024: three) Directors under defined contribution pension schemes at the end of the period.

NEW LOOK RETAILERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

7b Directors' remuneration (continued)

Emoluments payable to the highest paid Director are as follows:

	For the financial periods	
	52 weeks ended	53 weeks ended
	29 March 2025	30 March 2024
	£'000	£'000
Aggregate emoluments in respect of qualifying services	738	749

8 Finance income and expense

	For the financial periods	
	52 weeks ended	53 weeks ended
	29 March 2025	30 March 2024
	£'000	£'000
Finance income		
Bank interest receivable and similar income	427	-
Receivable from Group undertakings	1,011	1,075
Total finance income	1,438	1,075
Finance expense		
Bank interest payable and similar expense	(9,989)	(9,011)
Interest on lease liabilities	(12,543)	(11,701)
Payable to Group undertakings*	(8,518)	(1,450)
Total finance expense	(31,050)	(22,162)

* Finance expense payable to Group undertakings relates primarily to intercompany borrowings (see note 18), in addition to amounts payable to Group undertakings (see note 17).

9 Exceptional items

	For the financial periods	
	52 weeks ended	53 weeks ended
	29 March 2025	30 March 2024
	£'000	£'000
Exceptional expense / (income):		
Liquidation of subsidiary	40,598	-
Refinancing transactions	2,541	2,323
DC enhancement	2,069	1,090
Company reorganisations	914	1,745
CVA	-	(963)
Contract termination - TUPE	-	(738)
Impairment of intercompany receivables	-	481
Impairment of investments	-	11,829
Total exceptional items	46,122	15,767

Liquidation of subsidiary

During the period ended 29 March 2025, the Group announced the liquidation of New Look Retailers (Ireland) Limited ("NLRI"), a subsidiary of the Company. As a result, the Company incurred an exceptional loss of £40,598,000. This includes a £22,648,000 loss on disposal of the investment in NLRI, £13,831,000 loss allowance provision charge recognised on amounts owed by NLRI to the Company, £1,061,000 of professional advisory fees and £3,058,000 of provisions and financial liabilities for costs that the Company may become liable for.

NEW LOOK RETAILERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

9 Exceptional items (continued)

Refinancing transactions

In March 2025, the Group amended the existing PIK facility, entering into a PIK Facility Agreement which created an additional PIK loan (the 'additional senior new money term loan') of £31.6 million, resulting in a £30.0 million cash injection and amending certain terms of the senior secured financing arrangements (see note 18). During the period ended 29 March 2025, the Company recognised £2,541,000 of exceptional costs related to professional advisory fees in respect of the transaction.

In September 2023, certain subsidiaries* of the Group entered into a senior secured financing arrangement for the provision of £115.0 million of aggregate credit facilities. During the period ended 30 March 2024, the Company recognised £2,323,000 of exceptional costs related to professional advisory fees in respect of the transaction.

* New Look Limited, the Company, Geometry Properties Limited, New Look Retailers (Ireland) Limited, New Look Retailers (CI) Limited and New Look (Germany) GmbH

DC enhancement

During the period ended 29 March 2025, the Company incurred exceptional costs of £2,069,000 (2024: £1,090,000) in respect of enhancing the DC. In order to enable future omnichannel growth, the Company invested in the DC to become a best in class proposition to deliver on the wider strategic model.

Company reorganisations

During the period ended 29 March 2025, the Company incurred £914,000 of exceptional costs in relation to legal and advisory fees associated with a strategic review of the business undertaken at Group level.

During the period ended 30 March 2024, the Company announced further reorganisations to the support centre teams and a move of the London office to a new location. £1,947,000 of exceptional costs were recognised consisting of dual running of certain contracts, costs incurred in the office relocation and redundancy costs in connection with the reorganisation. Additionally, £202,000 of exceptional income due to the release of provisions in relation to the closure of the Chinese, Singaporean, French, Belgian and Polish businesses was recognised.

CVA

On 15 September 2020, 81.6% of the Company's unsecured creditors (by value) voted in favour of the proposed Company Voluntary Arrangement ("CVA"). During the period ended 30 March 2024, the Company recognised exceptional income of £1,811,000 from the disposal of leases as a result of landlord enforced closures due to the CVA.

During the period ended 30 March 2024, the Company also recognised £419,000 of professional advisory fees and £429,000 of costs in relation to landlord enforced store closures.

Contract termination - TUPE

During the period ended 30 March 2024, the Company recognised £738,000 exceptional income from the release of certain TUPE liabilities recognised in FY23 that were no longer required.

Impairment of intercompany receivables

During the period ended 30 March 2024, the Company recognised an impairment charge of £481,000 in relation to certain amounts owing from other wholly owned Group subsidiaries.

Impairment of investments

During the period ended 30 March 2024, the Company recognised an impairment charge of £11,829,000 in relation to its investments in subsidiaries. See note 14 for further details.

NEW LOOK RETAILERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

10 Taxation

	For the financial periods	
	52 weeks ended 29 March 2025 £'000	53 weeks ended 30 March 2024 £'000
Current tax:		
UK corporation tax on profits/(losses) for the period	-	-
Adjustments in respect of prior periods	-	-
Foreign taxation	31	32
Total current tax	31	32
Deferred tax:		
Origination and reversal of timing differences	-	23
Total deferred tax	-	23
Total income tax charge	31	55

The standard rate of tax for the period, based on the UK standard rate of corporation tax is 25% (2024: 25%). The Company's tax credit on loss before taxation for the current and previous period is different from the standard rate for the reasons set out in the following reconciliation:

	For the financial periods	
	52 weeks ended 29 March 2025 £'000	53 weeks ended 30 March 2024 £'000
Loss before taxation	(77,244)	(3,654)
Loss before taxation activities multiplied by the standard rate in the UK of 25% (2024: 25%)	(19,311)	(914)
Effects of:		
Depreciation on non-qualifying assets	263	251
Group relief surrendered for nil consideration	-	205
Expenses not deductible for tax purposes	10,382	2,580
Impact of change in tax rate	-	5
(Decrease)/increase in deferred tax assets not recognised	8,736	(2,072)
Adjustments to current tax charge in respect of prior periods	(39)	-
Total income tax charge	31	55

Expenses not deductible for tax purposes includes £10,153,000 (2024: £3,078,000) in relation to the impairment of intercompany receivables and investments.

NEW LOOK RETAILERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

10 Taxation (continued)

Deferred income tax

	As at	
	29 March 2025 £'000	30 March 2024 £'000
Deferred tax asset to be recovered within 12 months	-	-
Deferred tax asset to be recovered after more than 12 months	-	-
Total deferred tax	-	-

The movement in the period is as follows:

	Depreciation in excess of capital allowances £'000	Other temporary differences £'000	Total £'000
As at 25 March 2023	-	-	-
Charged to the income statement	-	(23)	(23)
Recognised directly in other comprehensive income	-	23	23
As at 30 March 2024	-	-	-
Charged to the income statement	-	-	-
Recognised directly in other comprehensive income	-	-	-
As at 29 March 2025	-	-	-

Deferred tax assets have been recognised to the extent that they are considered to be recoverable. In determining the recoverability of deferred tax assets, the Company assesses the future profitability and whether the capital allowances and losses will be claimed in future periods.

There are deferred tax assets in respect of capital losses of £11,537,000 (2024: £10,673,000), trading losses of £120,199,000 (2024: £98,867,000), capital allowances of £167,671,000 (2024: £156,782,000), disallowed tax interest expense of £5,311,000 (2024: £5,311,000) and other temporary differences of £8,179,000 (2024: £5,456,000) that have not been recognised due to uncertainty as to whether there will be sufficient taxable profits and capital gains in the future against which the asset could be utilised.

NEW LOOK RETAILERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

11 Intangible assets

	Brands £'000	Software licences £'000	Total £'000
Cost			
As at 30 March 2024	200,021	166,779	366,800
Additions	-	11,422	11,422
Disposals	-	(34,191)	(34,191)
As at 29 March 2025	200,021	144,010	344,031
Accumulated amortisation and impairment			
As at 30 March 2024	(200,009)	(126,749)	(326,758)
Charge for the period	-	(15,378)	(15,378)
Disposals	-	34,189	34,189
As at 29 March 2025	(200,009)	(107,938)	(307,947)
Net book value			
As at 29 March 2025	12	36,072	36,084
As at 30 March 2024	12	40,030	40,042

Amortisation of £1,865,000 (2024: £421,000) is shown within cost of sales and £13,513,000 (2024: £11,548,000) is shown within administrative expenses in the income statement.

The smallest CGUs within the Company are individual stores. Software licences related to stores have been allocated between these CGUs for the purpose of impairment review and the value in use of relevant groups of CGUs has been calculated as detailed in note 12. No impairment charge has been recognised for the period ended 29 March 2025 (2024: £nil). There are no reasonable changes in the assumptions that would result in a material difference to the impairment charge for intangible assets.

12 Property, plant and equipment

	Fixtures and equipment £'000
Cost	
As at 30 March 2024	337,365
Additions	8,813
Disposals	(21,957)
As at 29 March 2025	324,221
Accumulated depreciation and impairment	
As at 30 March 2024	(317,991)
Charge for the period	(8,028)
Impairment charge	(310)
Disposals	21,810
As at 29 March 2025	(304,519)
Net book value	
As at 29 March 2025	19,702
As at 30 March 2024	19,374

Depreciation of £1,288,000 (2024: £1,730,000) is shown within cost of sales and £6,740,000 (2024: £6,285,000) is shown within administrative expenses in the income statement.

NEW LOOK RETAILERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

12 Property, plant and equipment (continued)

Property, plant and equipment with a carrying amount of £19,702,000 (2024: £19,374,000) are pledged as security for the senior liabilities, see note 26.

The current period challenging trading environment driven by the unstable geopolitical environment and cost of living crisis represents the main event which triggers impairment assessments (2024: the challenging trading environment driven by the cost of living crisis).

The smallest CGUs within the Company are individual stores. For the purpose of impairment assessment, the value in use of the relevant CGUs has been calculated using the Board approved three year plan. The third year projected cash flows have then been extrapolated over the remaining term of each store lease using a growth rate of 2.0% (2024: 2.0%) per annum. This growth rate is based on published estimates of the long-term growth in Gross Domestic Product in the respective CGUs and inflation.

The Board approved three year plan includes a number of assumptions regarding the expected trading in FY26 and onwards. These assumptions include estimated gross profit projections and CGU specific costs. Management has used significant estimates in respect of future forecasting which has inherent limitations.

Management has also made assumptions around the remaining lease terms for stores where the contractual lease has expired but the Company remains in occupation. These are based on historic experience and management's intentions for the lease term.

The resulting cash flows are discounted using a pre-tax discount rate of 12.68% (2024: 13.22%) and compared with the carrying value of property, plant and equipment, intangibles and right-of-use assets allocated to stores.

A total impairment charge of £1,181,000 (2024: £489,000 charge) has been recognised across property, plant and equipment and right-of-use assets where the impairment assessment was completed at store level. This includes a £310,000 impairment charge (2024: £225,000 charge) recognised on fixtures and equipment which represents fixtures and fittings within stores such as tills, mannequins and clothing fitments. The impairment charge is recognised within administrative expenses in the income statement.

There are no reasonable changes in the assumptions that would result in a material difference to the impairment charge for property, plant and equipment.

13 Leases

The balance sheet shows the following amounts relating to leases:

	As at	
	29 March 2025 £'000	30 March 2024 £'000
Right-of-use assets		
Buildings	112,937	109,224
Equipment and vehicles	2,808	714
	115,745	109,938
Lease liabilities		
Current	(24,513)	(21,301)
Non-current	(107,238)	(98,625)
	(131,751)	(119,926)

Additions to right-of-use assets during the financial period were £36,354,000 (2024: £59,718,000).

NEW LOOK RETAILERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

13 Leases (continued)

Additions to right-of-use assets include new leases and modifications to existing lease agreements, excluding CVA related modifications. During the period, modifications were made to right-of-use assets as a result of the CVA, see note 9 for details. As part of the completion of the CVA, a number of leases were renegotiated on new terms. As a result, lease liabilities and right-of-use assets increased in the year.

The income statement shows the following amounts relating to leases:

	For the financial periods	
	52 weeks ended 29 March 2025 £'000	53 weeks ended 30 March 2024 £'000
Depreciation on right-of-use assets		
Buildings	28,661	25,450
Equipment and vehicles	1,308	189
	29,969	25,639

Depreciation of £5,757,000 (2024: £3,414,000) is shown within cost of sales and £24,212,000 (2024: £22,225,000) is shown within administrative expenses in the income statement.

A £871,000 impairment charge (2024: £264,000 charge) was recognised on right-of-use assets where the impairment assessment was completed at store level. The challenging trading environment in the 52 weeks ended 29 March 2025 was driven by the cost of living crisis, and represents the primary event which has triggered an impairment review. The smallest CGUs within the Company are individual stores. For the purpose of impairment assessment of right-of-use assets, the value in use of the relevant CGUs has been calculated using the Board approved three year plan as detailed within note 12.

There are no reasonable changes in the assumptions that would result in a material difference to the impairment charge for right-of-use assets.

	For the financial periods	
	52 weeks ended 29 March 2025 £'000	53 weeks ended 30 March 2024 £'000
Finance costs on leases	12,543	11,701
Expense on short term leases and turnover rent	6,348	5,894
Expense on variable leases	7,497	9,552
(Gain) on disposal/modification of right-of-use assets	(570)	(4,137)

Future minimum lease payments are as follows:

	As at	
	29 March 2025 £'000	30 March 2024 £'000
Not later than one year	36,315	32,595
Later than one year and not later than five years	95,248	90,356
Later than five years	44,177	40,615
Total gross payments	175,740	163,566
Impact of finance expenses	(43,989)	(43,640)
Carrying amount of liability	131,751	119,926

The total cash outflow for leases, excluding payments associated with short term leases, low-value leases and turnover rents, was £36,609,000 (2024: £36,583,000).

NEW LOOK RETAILERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

14 Investments

	Shares in subsidiaries £'000	Other investments £'000	Total £'000
Cost			
As at 30 March 2024	62,322	4,302	66,624
Disposals	(54,893)	(4,267)	(59,160)
As at 29 March 2025	7,429	35	7,464
Provision for impairment			
As at 30 March 2024	(32,232)	(4,267)	(36,499)
Impairment reversals	32,232	4,267	36,499
As at 29 March 2025	-	-	-
Net book value			
As at 29 March 2025	7,429	35	7,464
As at 30 March 2024	30,090	35	30,125

Other investments comprise £35,000 (2024: £35,000) deferred shares in Retail Credit Union Limited.

During the period ended 29 March 2025, Top Gun Realisations 70 Limited and New Look Commerce (Shanghai) Co., Limited were liquidated as they were superfluous to requirements.

In addition, the Company disposed of the investment in New Look Retailers (Ireland) Limited ("NLRI") as a result of the liquidation of NLRI, and the fully impaired historic investments of New Look (Singapore) Pte. Limited, New Look Logistics Limited and New Look Accessories Limited

At 29 March 2025, the Company directly owned 100% (unless otherwise stated) of the ordinary share capital and voting rights of the following subsidiary undertaking:

Subsidiary	Nature	Registered address
New Look Retailers (CI) Limited	Trading	1st & 2nd floors, Elizabeth House, Les Ruettes Brayes, St Peter Port, Guernsey GY1 1EW

For the purpose of impairment assessment, the value in use of the subsidiary has been calculated using the Board approved three year plan. As a trading subsidiary, the value in use has been calculated per store, being the smallest CGU within the subsidiary. The third year projected cash flows have then been extrapolated over the remaining term of each store lease using a growth rate of 2.0% (2024: 2.0%) per annum. This growth rate is based on published estimates of the long-term growth in Gross Domestic Product in the respective CGUs and inflation. The total value in use of all store CGUs has been compared against the value of the investment held by the Company to identify any required impairment.

Following the impairment assessment, the Directors believe that the carrying value of the investments is supported by their underlying net assets or the projected earnings of the subsidiary undertakings.

NEW LOOK RETAILERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

15 Inventories

	As at	
	29 March 2025 £'000	30 March 2024 £'000
Raw materials and work in progress	1,414	1,315
Finished goods	107,278	113,418
Spare parts	1,890	1,911
	110,582	116,644

Inventories with a value of £3,887,000 (2024: £3,477,000) are carried at net realisable value, this being lower than cost. Cost of inventories recognised as an expense and any write downs of inventories are disclosed in note 6.

Inventories with a carrying amount of £110,582,000 (2024: £116,644,000) are pledged as security for the senior liabilities, see note 26.

16 Trade and other receivables

	As at	
	29 March 2025 £'000	30 March 2024 £'000
Current		
Trade receivables	8,522	10,080
Amounts owed by Group undertakings	7,920	14,337
Other receivables	984	529
Prepayments	12,742	13,715
Accrued income	897	1,095
	31,065	39,756
Non-current		
Prepayments	298	461
	298	461

Trade and other receivables with a carrying amount of £8,522,000 (2024: £10,080,000) are pledged as security for the senior liabilities, see note 26.

Amounts owed by Group undertakings include an interest bearing balance as follows:

Entity	Balance at 29 March 2025	Balance at 30 March 2024	Interest basis	Maturity
New Look Limited	GBP 4,133,000	GBP 4,133,000	3 month SONIA plus 3.5% margin	Payable on demand – settlement expected within 1 year

An impairment of £4,133,000 (2024: £4,133,000) in relation to the above interest bearing balance is also included within amounts owed by Group undertakings.

All other amounts owed by Group undertakings are interest free, unsecured and repayable on demand.

NEW LOOK RETAILERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

17 Trade and other payables

	As at	
	29 March 2025	30 March 2024
	£'000	£'000
Current		
Trade creditors	(83,058)	(71,372)
Other taxation and social security	(7,561)	(6,379)
Other creditors	(1,239)	(1,761)
Amounts owed to Group undertakings	(2,909)	(1,592)
Accruals	(43,074)	(44,998)
Interest accrual	(700)	(207)
Deferred income – gift cards	(6,985)	(8,126)
Deferred income - other	(581)	(754)
	(146,107)	(135,189)
Non-current		
Deferred income - other	(443)	(539)
	(443)	(539)

During the period ended 29 March 2025, the Company entered into a supply chain finance arrangement with one supplier whereby a third party financial institution finances 90% of invoices selected by the supplier and approved and payable by the Company. The following table presents the value of financing received by the suppliers in relation to Company trade payables held at the balance sheet date.

	As at	
	29 March 2025	30 March 2024
	£'000	£'000
Financing received by suppliers in relation to Company trade payables	655	-

All items within trade and other payables are non-interest bearing. Standard terms for trade payables are settlement on either 60 or 75 day terms, unless otherwise specifically agreed. Standard terms for the finance arrangement are stated on invoices as 60 days from invoice date with a maximum financing term of 120 days. Included in accruals is £12.7 million (2024: £16.6 million) relating to inventory.

During the period ended 30 March 2024, the Company entered into a new trade and operating facility of £20.0 million for the issuance of standby letters of credit. There were no amounts outstanding under those arrangements as at 29 March 2025 (2024: None). During the period ended 29 March 2025, the facility was reduced to £12.2m.

Amounts owed to Group undertakings include interest bearing balances as follows:

Entity	Balance at 29 March 2025	Balance at 30 March 2024	Interest basis	Maturity
New Look Retailers (CI) Limited	GBP 1,550,000	GBP nil	Daily SONIA plus 2.5% margin	Payable on demand – settlement expected within 1 year
New Look Limited	GBP 1,436,000	GBP 1,592,000	3 month SONIA plus 3.5% margin	Payable on demand – settlement expected within 1 year

All other amounts owed to Group undertakings are interest free, unsecured and are repayable on demand.

NEW LOOK RETAILERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

17 Trade and other payables (continued)

A contract liability arises in respect of gift cards as payment has been received for a performance obligation which will be performed at a later point in time. Included within trade and other payables are gift card liabilities:

	For the financial periods	
	52 weeks ended 29 March 2025	53 weeks ended 30 March 2024
	£'000	£'000
Opening balance	(8,126)	(9,094)
Issues	(20,192)	(23,583)
Released to the income statement	21,333	24,551
Closing balance	(6,985)	(8,126)

18 Borrowings

	As at	
	29 March 2025	30 March 2024
	£'000	£'000
Non-current		
Revolving credit facility (senior)	(35,295)	(46,987)
Term loan - junior	(34,470)	(34,122)
Revolving credit facility (Intercompany from New Look Corporate Limited)	-	(31,609)
	(69,765)	(112,718)

Borrowing facilities

On 11 September 2023, certain Group subsidiaries* entered into a senior secured financing arrangement for an aggregate £115.0 million of credit facilities.

Lender	Facility	Maturity	Margin**	Notional at first utilisation – 4 October 2023
Senior	£80.0 million RCF*** - secured over stock, receivables and intellectual property	Three years from first utilisation date	+2.5%	£43,637,340
Senior	£1.65 million term loan – real estate****	Three years from first utilisation date	+3.0%	£1,650,000
Junior	£35.0 million term loan – secured by way of a second ranking charge over intellectual property, stock and receivables	36 months after the utilisation date	+13.25%	£35,000,000

* New Look Limited, the Company, Geometry Properties Limited, New Look Retailers (Ireland) Limited, New Look Retailers (CI) Limited and New Look (Germany) GmbH

** Margin added to Daily SONIA for GBP borrowings, EURIBOR for EUR borrowings and Daily SOFR for USD borrowings

*** Total RCF facility available reduces by the amount drawn under the Senior Lender term loan

**** Senior term loan is held by New Look Limited and recharged to the Company via amounts due to Group undertakings

The drawdown of the new credit facilities, together with the acceleration and release of cash collateral and Company cash was used to prepay the term loan at par plus accrued interest. The Senior Finance Agreement was subsequently terminated.

NEW LOOK RETAILERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

18 Borrowings (continued)

The Group was released from the existing fixed and floating charges executed on 3 May 2019 and entered into a new Intercreditor agreement dated 11 September 2023, pledging certain assets as security for the new Senior and Junior borrowings.

On 10 October 2023, the Trade Finance Facility Agreement with HSBC Bank plc was terminated and New Look Corporate Limited and the Company entered into a new Trade Finance Facility with Barclays Bank plc.

Revolving credit facility (senior)

The Senior Revolving Credit Facility is secured by the assets of certain subsidiaries of the Group under an Asset-Backed Lending agreement. The Facility has a 3 year term and interest is charged at 2.5% margin plus Daily SONIA for GBP loans, or plus EURIBOR for euro loans or Daily SOFR for USD loans. As at 30 March 2025, there are no drawdowns of euro or USD loans.

Mezzanine term loan (junior)

The Junior mezzanine term loan has a three year term and is secured by the New Look Brand and second ranking security over stock and receivables. Interest is charged at 13.25% margin plus Daily SONIA.

On 27 March 2025, New Look Limited, for itself and on behalf of certain Group subsidiaries, including the Company, entered into a Waiver and Amendment Letter with Wells Fargo Bank as Senior Lender and New Look Retailers Limited entered a Waiver and Amendment Letter with Blaze Hill Credit Opportunities Limited, as Junior Lender, to amend certain terms of the senior secured financing arrangements originally dated 11 September 2023.

The amendments included:

- Reduction of the Senior revolving credit facility from £80.0 million to £60.0 million;
- Confirmation of the resignation of New Look Retailers (Ireland) Limited from the borrowing and security arrangements as a result of entering liquidation;
- Comprehensive reset of the financial covenants; and
- Increased frequency of provision of financial information on Gross Collateral balances.

The above amendments were conditional on the issuance of a further tranche of borrowing by New Look Corporate Limited, to existing shareholders of the Group, which completed on 28 March 2025. The Additional senior new money term loan tranche was issued by way of entering a Third Amendment to the PIK Facility Agreement originally dated 9 November 2020 and increasing the total Commitments permitted under the facility. Certain existing new money term loan holders agreed to participate in the Additional senior new money term loan commitment of £31,578,947, including a 5% OID resulting in £30.0 million of cash proceeds being received. The cash was instantly downstreamed from New Look Corporate Limited to New Look Retailers Limited by way of capital contributions.

The terms of the additional senior new money term loan are the same in terms of PIK interest at 16.5% capitalised semi-annually and is co-terminus with the priority new money term loan and original new money term loan. The new tranche of new money term loan is subordinate to the senior and junior credit facilities and ranks ahead of the previously issued tranches of new money term loans.

During the period ended 29 March 2025, New Look Corporate Limited agreed to waive the outstanding intercompany balance including accrued interest owed by the Company. The release of the intercompany debt of £50,158,215 was recognised as a capital contribution within equity.

NEW LOOK RETAILERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

19 Derivative financial instruments

	As at	
	29 March 2025 £'000	30 March 2024 £'000
Current assets		
Foreign currency contracts – not designated as hedges	429	302
Embedded foreign currency derivatives at fair value through income statement	-	-
	429	302

	As at	
	29 March 2025 £'000	30 March 2024 £'000
Current liabilities		
Foreign currency contracts – not designated as hedges	(2,513)	(3,673)
	(2,513)	(3,673)

Foreign currency contracts comprise forward contracts which are used to hedge exchange risk arising from the Company's overseas purchases. The instruments purchased are denominated in US dollars.

Embedded foreign exchange derivatives arise within outstanding purchase orders, which are in currencies other than the functional currencies of the contracting parties.

Movement in fair values

	Foreign currency contracts £'000	Foreign currency contracts not designated as hedges £'000	Embedded derivatives £'000	Total £'000
Fair value at 25 March 2023	401	(6,835)	138	(6,296)
Fair value (loss)/gain through income statement	(311)	2,914	(138)	2,465
Fair value loss to reserves	(90)	-	-	(90)
Cash received	-	550	-	550
Fair value at 30 March 2024	-	(3,371)	-	(3,371)
Fair value gain through income statement	-	1,187	100	1,287
Fair value at 29 March 2025	-	(2,184)	100	(2,084)

NEW LOOK RETAILERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

20 Provisions

	Dilapidations provisions	CVA provisions	Store closure provisions	Contract termination provisions	International exit provisions	Total
	£'000	£'000	£'000	£'000	£'000	£'000
As at 30 March 2024	(26)	(445)	(416)	(123)	-	(1,010)
Arising in the period	(232)	-	(932)	-	(2,298)	(3,462)
Utilised in the period	23	109	714	29	-	875
Reversal of unused amounts	-	12	295	-	-	307
As at 29 March 2025	(235)	(324)	(339)	(94)	(2,298)	(3,290)

	As at	
	29 March 2025	30 March 2024
	£'000	£'000
Current	(3,194)	(815)
Non-current	(96)	(195)
	(3,290)	(1,010)

Dilapidations provisions

The dilapidations provision of £235,000 (2024: £26,000) is expected to be utilised over one to 12 months.

CVA provisions

On 15 September 2020, 81.6% of New Look Retailers Limited's unsecured creditors (by value) voted in favour of the proposed Company Voluntary Arrangement ("CVA"). As at 29 March 2025, the Company recognised a £324,000 (2024: £445,000) provision in relation to landlord enforced store closures, of which £228,000 (2024: £250,000) is expected to be utilised within 12 months. The total provision is expected to be utilised over one to 23 months.

Store closure provisions

During the period ended 29 March 2025, the Company recognised provisions in respect of known and communicated store closures. As at 29 March 2025, the Company recognised a £339,000 (2024: £416,000) provision. This is expected to be utilised over one to 12 months.

Contract termination provisions

The Company recognises provisions in respect of TUPE liabilities relating to terminated contracts. As at 29 March 2025, the Company recognised a £94,000 (2024: £123,000) provision. This is expected to be utilised over one to 12 months.

International exit provisions

During the period ended 29 March 2025, the Group announced the liquidation of the ROI business and recognised a provision of £2,298,000 in respect of Group liabilities in relation to this. The provision is expected to be utilised over one to 12 months.

NEW LOOK RETAILERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

21 Capital and other commitments

The Company had the following capital commitments, inclusive of the cost of bringing newly committed properties to a useable condition:

	As at	
	29 March 2025	30 March 2024
	£'000	£'000
Amounts authorised and contracted	725	4,989

Future minimum rentals payable under non-cancellable short term leases where the Company is lessee:

	As at	
	29 March 2025	30 March 2024
	£'000	£'000
Within one year	46	206
Between one and five years	-	-
After five years	-	-
	46	206

At the balance sheet date, total future payments expected to be received under non-cancellable sub-leases were £nil (2024: £nil).

22 Share based payments

Management Incentive Plan (MIP)

In December 2019, key personnel in the Company were offered the right to participate in the MIP scheme and purchase the beneficial interest in shares of New Look Retail Holdings Limited.

Employees purchased an interest in both B shares and C shares. On exit, the B shares vest in full and the C shares will vest in full if the exit occurs above a certain threshold. As part of the 2020 Transaction, B shares were redesignated as C shares and C shares were redesignated as D shares. The exit threshold attached to the now D shares was reduced.

On leaving, the value of the shares is based on the vesting profile, following completion of the 2020 Transaction the vesting profile was also amended such that, 25% of shares vested on 9 November 2020, with the remaining 75% vesting straight-line over four years from 9 November 2020.

In March 2021, additional key personnel in the Group were offered the right to participate in the MIP scheme and purchase the beneficial interest in shares of New Look Retail Holdings Limited.

Participants purchased an interest in C shares and D shares. On exit, the C shares vest in full and the D shares will vest in full if the exit occurs above a certain threshold.

On leaving, the value of the shares is based on the vesting profile. For four participants, 20% of shares vested on 9 November 2020, with the remaining 80% vesting straight-line over four years from 9 November 2020. For two participants, 15% of shares vested on 9 November 2020, with the remaining 85% vesting straight-line over four years from 9 November 2020. For three participants, 100% of the shares vest straight-line over a four year period from 9 November 2020.

As a good leaver, employees will receive market value for vested shares and the lower of cost and market value for unvested shares, whereas bad leavers receive the lower of cost and market value on both vested and unvested shares. No leaver will obtain benefit from their shares until an exit event occurs.

NEW LOOK RETAILERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

22 Share based payments (continued)

Management Incentive Plan (MIP) (continued)

Details of the MIP scheme shares outstanding during the period are as follows:

C shares (formerly B shares)

	For the financial periods	
	29 March 2025	30 March 2024
	000s	000s
Outstanding at the beginning of the period	135,643	120,019
Granted in the period	-	41,190
Forfeited in the period	(1,420)	(25,566)
Outstanding at the end of the period	<u>134,223</u>	<u>135,643</u>
Exercisable at the end of the period	—	—
Weighted average remaining contractual life (months)	0 months	7 months
Weighted average share price at the date of exercise (pence)	0.00	0.00
Weighted average exercise price (pence)	0.00	0.00
Market value at period end (pence)	0.00	0.00
Highest market value (pence)	0.00	0.00
Lowest market value (pence)	0.00	0.00

D shares (formerly C shares)

	For the financial periods	
	29 March 2025	30 March 2024
	000s	000s
Outstanding at the beginning of the period	51,132	42,610
Granted in the period	-	14,203
Forfeited in the period	-	(5,681)
Outstanding at the end of the period	<u>51,132</u>	<u>51,132</u>
Exercisable at the end of the period	—	—
Weighted average remaining contractual life (months)	0 months	7 months
Weighted average share price at the date of exercise (pence)	0.00	0.00
Weighted average exercise price (pence)	0.11	0.11
Market value at period end (pence)	0.00	0.00
Highest market value (pence)	0.00	0.00
Lowest market value (pence)	0.00	0.00

NEW LOOK RETAILERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

22 Share based payments (continued)

Management Incentive Plan (MIP) (continued)

The weighted average fair value of the shares granted under the MIP scheme was calculated at the date of grant using the Black-Scholes option pricing model. The following table lists the inputs to the model as at the date of grant, with the exception of the exercise price of the D shares which has been updated to reflect the new exit threshold following the completion of the 2020 Transaction and used for the periods ended 29 March 2025 and 30 March 2024 for the shares granted in December 2019:

	C shares	D shares
Weighted average fair value (pence)	0.00	0.00
Weighted average share price (pence)	0.00	0.00
Exercise price (pence)	0.00	0.11
Expected volatility (%)	21.58 to 54.83	21.58 to 54.83
Expected life of option (years)	3.38	3.38
Dividend yield (%)	0.00	0.00
Risk-free interest rate (%)	0.58	0.58
Leaver rate (%)	0.00	0.00

The weighted average fair value of the shares granted under the MIP scheme was calculated at the date of grant using the Black-Scholes option pricing model. The following table lists the inputs to the model as at the date of grant and used for the period ended 29 March 2025 and 30 March 2024 for the shares granted in March 2021, April 2021, September 2021 and May 2023:

	C shares	D shares
Weighted average fair value (pence)	0.00	0.00
Weighted average share price (pence)	0.00	0.00
Exercise price (pence)	0.00	0.11
Expected volatility (%)	29.41 to 137.91	29.41 to 137.91
Expected life of option (years)	3.64	3.64
Dividend yield (%)	0.00	0.00
Risk-free interest rate (%)	0.22	0.22
Leaver rate (%)	0.00	0.00

Expected share price volatility is determined through the assessment of the historical volatility of a comparable group of companies over a period consistent with the expected life of the award. It is indicative of future trends, which may not necessarily be the actual outcome. The expected life of the options is based on the expected date of an exit event.

The resulting equity settled charge of £nil (2024: £nil) was recognised in the income statement for the period ended 29 March 2025.

NEW LOOK RETAILERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

23 Share capital

	As at	
	29 March 2025	30 March 2024
	£'000	£'000
Allotted, authorised, called up and fully paid:		
1,007 ordinary shares of £1 each (2024: 1,006)	1	1

As part of the 2020 Transaction, the £40,000,000 New Money Term Loan was contributed to the Company via New Look Limited by way of a share subscription. The Company has recorded share premium of £39,999,999 on the share issue.

During the period ended 29 March 2025 the Company issued 1 share to facilitate the down-streaming of the £30,000,000 cash injection (see note 18). New Look Limited contributed to the Company the sum of £30,000,000. The Company has recorded share premium of £29,999,999 on the share issue.

During the period ended 29 March 2025, New Look Corporate Limited agreed to waive the outstanding intercompany balance including accrued interest owed by the Company. The release of the intercompany debt of £50,158,215 was recognised as a capital contribution within equity.

24 Pension arrangements

The Company made contributions to personal pension plans on behalf of employees. The total contributions payable to these schemes for the period was £3,199,000 (2024: £3,043,000). As at 29 March 2025, £593,000 (2024: £554,000) was outstanding in respect of contributions payable to these pension schemes.

25 Related party transactions

Transactions with Directors

There were no (2024: no) related party transactions which require disclosure in accordance with IAS 24 'Related party disclosures'.

26 Guarantees and contingent liabilities

The Group has senior liabilities (revolving credit facility and term loan) to which the Company is a party to a cross guarantee.

To establish the relative rights of creditors under the Group's financing arrangements, the Company entered into an Intercreditor Agreement on 11 September 2023 with the Senior Agent, Senior Security Trustee and Senior Arranger, the Original Senior Lender, the Original Mezzanine Lender and others. The Intercreditor Agreement is governed by English law and sets out the relative ranking of certain indebtedness of the Debtors, the relative ranking of certain security granted by the Debtors, when payments can be made in respect of debt of the Debtors, when enforcement action can be taken in respect of that indebtedness, the terms pursuant to which certain of that indebtedness will be subordinated upon the occurrence of certain insolvency events and turnover provisions.

The Company is part of the guarantor group under the financing arrangements.

In addition to the assets disclosed within the notes to the financial statements, cash and cash equivalents with a carrying amount of £44,399,000 (2024: £25,019,000) are pledged as security for the senior liabilities.

The Company has on occasion been required to take legal action to defend itself against proceedings brought by other parties. Provisions have been made for the expected costs associated with such matters, based on known factors and taking into account professional advice received which represent management's best estimate of the likely outcome. The timing of utilisation of these provisions is uncertain pending the outcome of various court proceedings, ongoing investigations and negotiations. However, no provision is made for proceedings which have been or might be brought by other parties unless management, taking into account professional advice received, assesses that it is more likely than not that such proceedings may be successful. Contingent liabilities associated with such proceedings have been identified but the Board are of the opinion that any associated claims that might be brought can be resisted successfully and therefore the possibility of any outflow in settlement is assessed as remote.

NEW LOOK RETAILERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

27 Ultimate parent undertaking and controlling party

The immediate parent undertaking is New Look Limited, a company incorporated in England and Wales.

The ultimate controlling party is New Look Retail Holdings Limited, a company incorporated in Jersey. The smallest and largest group of undertakings to include these financial statements in their consolidation is New Look Retail Holdings Limited.

Copies of the financial statements of New Look Retail Holdings Limited can be obtained from New Look House, Mercery Road, Weymouth, Dorset, DT3 5HJ, England.

28 Events after the reporting period

In April 2025 the Company announced a restructuring of a number of support centre teams across Weymouth, London and Lymedale.

In October 2025, the Company and certain subsidiaries* entered into an agreement to extend the senior secured financing arrangement for a further 12 months, resulting in a maturity date of 4 October 2027.

* New Look Limited, Geometry Properties Limited, New Look Retailers (CI) Limited and New Look (Germany) GmbH