

John Player & Sons Limited

Annual Report

Financial Year Ended 30 September 2025

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DIRECTORS AND OTHER INFORMATION

Board of Directors

Morgan Lee
Deirdre Healy

Secretary and Registered Office

Deirdre Healy
21 Beckett Way
Park West
Nangor Road
Dublin 12
Ireland

Registered Number:

21912

Bankers

HSCB Continental Europe
1 Grand Canal Square
Grand Canal Harbour
Dublin 2
Ireland

Independent Auditors

Ernst & Young
Chartered Accountants
EY Building
Harcourt Centre, Harcourt Street
Dublin 2
Ireland

Solicitors

William Fry & Sons
2 Grand Canal Square
Dublin 2
Ireland

McCann Fitzgerald
Sir John Rogerson's Quay
Dublin 2
Ireland

Ivor Fitzpatrick & Company Solicitors
44-45 St. Stephen's Green
Dublin 2
Ireland

DIRECTOR'S REPORT

The directors present their report and the audited financial statements of the company for the financial year ended 30 September 2025.

Principal activity

The principal activity of the company is the sale and distribution of tobacco and nicotine products in Ireland. This is not anticipated to change in the foreseeable future.

Statement of director's responsibilities

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

Irish law requires the directors to prepare financial statements for each financial year. Under the law, the directors have elected to prepare the financial statements in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' ("FRS 101"). Under company law, the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the assets, liabilities and financial position of the company as at the financial year end date and of the profit or loss of the company for the financial year and otherwise comply with the Companies Act 2014.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with applicable accounting standards and identify the standards in question, subject to any material departures from those standards being disclosed and explained in the notes to the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to:

- correctly record and explain the transactions of the company;
- enable, at any time, the assets, liabilities, financial position and profit or loss of the company to be determined with reasonable accuracy; and
- enable the directors to ensure that the financial statements comply with the Companies Act 2014 and enable those financial statements to be audited.

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.

Results and dividends

The profit and loss account is set out on page 11. The profit for the financial year was €7,728k (2024: €10,436k). A dividend of €1.60 per share, amounting to €8,000k (2024: €2 per share amounting to €10,000k) was paid during the financial year.

Business review

The total legal cigarette market in Ireland declined by 9.3% (2024: decrease of 200mn WSE12.8%) during the financial year ended 30 September 2025, while the NIDP (Non-Irish Duty Paid) sector has increased again to 37% of the market. Adding to this challenge, consumers are moving to value brands at an increasing pace with the result that the total tobacco market profit pool is shrinking. During the year, a Pension ETV was offered to Active Members which further reduced liabilities in the Company's Defined Benefit Pension Scheme. As part of the settlement, an amount of €6,464k (2024: € 5,117k) was charged to the profit and loss account.

The profit and loss account, other comprehensive income and the statement of changes in equity of the company for the financial year ended 30 September 2025 are set out on pages 11, 12 and 14 respectively. The balance sheet shows a positive financial position at the year-end showing total equity shareholder's funds of €69,045k (2024: €72,434k) as indicated on page 13.

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DIRECTOR'S REPORT - continued**Going concern**

The company meets its day-to-day working capital requirements through its cash reserves and bank facilities. The company's forecasts and projections, taking account of reasonably possible changes in trading performance, show that the company should be able to operate within the level of its current facilities.

The Directors have reviewed the company's revenues, costs and cashflows over the next 12 months. The Directors have reviewed the forecast and whilst the market has declined, the gross margin and profit are comparable with previous year. The company is part of a larger group with considerable financial resources. As a consequence, the directors believe that the group and company is well placed to manage its business risks successfully.

The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future.

Thus, they continue to adopt the going concern basis in preparing the annual financial statements.

Geo-political risks and uncertainties

The key risk and uncertainties facing the company relate to legitimate domestic market demand for their products and the continued management of its cost base along with the general economic climate in which the company operates.

The directors have considered the global uncertainty and the potential impacts on the operations of John Player and Sons. The company's manufacturing costs have risen 4% and the supply chain costs have also increased. The directors also expect significant regulatory changes to be implemented over the coming years both within tobacco and vape categories. Whilst we expect that these developments could potentially impact our costs and profitability going forward, they will not be at a level that would impact our going concern assessment.

Financial risk management

The company's operations expose it to a variety of risks that include the effects of changes in legislation, credit risk, cash flow and price risk. The company has in place a risk management programme that seeks to manage the exposures of the company by monitoring legislative developments and credit and security risks.

Given the size of the company, the directors have not delegated the responsibility of monitoring financial risk management to a sub-committee of the board. The policies set by the board of directors are implemented by the company's finance department. The policies and instructions documented in the Group Finance Manual are implemented by the management and finance department of the company.

Credit risk

The company has implemented policies that require appropriate credit checks on potential customers before sales are made.

Liquidity risk

All surplus funds are remitted to a fellow subsidiary, Imperial Tobacco Enterprise Finance Limited, and are added to an intercompany loan account. As funds are required, for operations, dividends or expansions, they are received from Imperial Tobacco Enterprise Finance Limited.

Foreign exchange risk

The company operates in Ireland and is not exposed to significant foreign exchange risk in the normal course of the business. The sales invoicing process is denominated in euro. The company is also part of an intercompany netting arrangement. The company does not use any foreign currency derivatives.

Interest rate and cash flow risk

The company has an interest-bearing loan balance within the group. This balance fluctuates between a receivable and payable balance throughout the year. Some short-term financing was in place during the year and has since been repaid. The company does not have any external debt.

DIRECTOR'S REPORT - continued*Price risk*

The company is exposed to price risk on products in which it trades. This is monitored by the company's management team. The only exposure to equity securities price risk is in respect of such investments held by the defined benefit pension scheme.

Future developments

The company does not expect any change in the nature or trade of the business in the next financial year.

Political contributions

The company made no political donations during the financial year (2024: € Nil).

Dividends

The directors have paid a total dividend of €8,000k for the year ended 30 September 2025, amounting to €1.60 per share (2024: €10,000k).

Directors

The names of persons who were directors at any time during the financial year ended 30 September 2025, and since the financial year end, are set out below. Unless indicated otherwise they served as directors for the entire financial year.

Deirdre Healy
Morgan Lee

Directors' and Secretary's interests in shares

The directors and secretary in office at 30 September 2025 had no interests in the shares of the company or any group company that are required by the Companies Act 2014 to be disclosed in the Directors' Report.

Accounting records

The measures that the directors have taken to secure compliance with the requirements of sections 281 to 285 of the Companies Act 2014 with regard to the keeping of accounting records, are the employment of appropriately qualified accounting personnel and the maintenance of computerised accounting systems. The company's accounting records are maintained at the company's registered office at 21 Beckett Way, Park West, Nangor Road, Dublin 12, Ireland.

Holding company

The ultimate holding company is Imperial Brands PLC, a company incorporated in the United Kingdom, whose registered office is at 121 Winterstoke Road, Road, Bristol BS3 2LL.

Events since the year end

There have been no significant events affecting the company's business since the financial year end.

Research and development

The company did not engage in any research and development activities in either financial year.

Disclosure of information to the auditors

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information, of which the company's statutory auditors are unaware. Each director has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the company's statutory auditors are aware of that information.

Statutory auditors

The statutory auditors, Ernst & Young, have indicated their willingness to continue in office in accordance with Section 383(2) of the Companies Act 2014, and a resolution that they be re-appointed will be proposed at the Annual General Meeting.

DIRECTOR'S REPORT - continued**Audit committee**

Following due review and consideration of the requirement under section 167 of the Companies Act 2014 and the current circumstances of the company, the board has taken a decision not to establish an audit committee at the present time. The reason for the decision is that Imperial Brands PLC, the Company's ultimate parent company, has established an audit committee which, in the directors' opinion, adequately performs the relevant functions for the group as a whole, including the company, and that therefore the directors believe there is no necessity for the company itself to establish a committee for the purpose of section 167 of the Companies Act 2014. This matter will be kept under review by the directors.

Directors' compliance statement

The directors acknowledge that they are responsible for securing the company's compliance with its relevant obligations.

The directors confirm that:

1. A compliance policy statement setting out the company's policies, respecting compliance by the company with its relevant obligations has been drawn up.
2. Appropriate arrangements or structures that are designed to secure material compliance with the company's relevant obligations have been put in place.
3. A review of the arrangements and structures referred to at 2 above has been conducted during the financial year ended 30 September 2025.

On behalf of the board

Morgan Lee

Morgan Lee

Deirdre Healy

Deirdre Healy

Date: 17 December 2025

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF JOHN PLAYER & SONS LIMITED

Report on the audit of the financial statements

Opinion

We have audited the financial statements of John Player & Sons Limited ('the Company') for the year ended 30 September 2025, which comprise the Profit and Loss Account, Statement of Comprehensive Income, Balance Sheet, Statement of Changes in Equity and the notes to the financial statements, including the material accounting policy information set out in note 2. The financial reporting framework that has been applied in their preparation is Irish Law and FRS 101 Reduced Disclosure Framework issued in the United Kingdom by the Financial Reporting Council.

In our opinion the financial statements:

- give a true and fair view of the assets, liabilities and financial position of the Company as at 30 September 2025 and of its profit for the year then ended;
- have been properly prepared in accordance with FRS 101 Reduced Disclosure Framework; and
- have been properly prepared in accordance with the requirements of the Companies Act 2014.

Basis for opinion

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the Company's ability to continue as a going concern.



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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF JOHN PLAYER & SONS LIMITED (Continued)

Other information

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

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2014

In our opinion, based solely on the work undertaken in the course of the audit, we report that:

- the information given in the directors' report for the financial year ended for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report, other than those parts relating to sustainability reporting where required by Part 28 of the Companies Act 2014, has been prepared in accordance with applicable legal requirements.

We have obtained all the information and explanations which, to the best of our knowledge and belief, are necessary for the purposes of our audit.

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

Matters on which we are required to report by exception

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

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



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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF JOHN PLAYER & SONS LIMITED (Continued)

Respective responsibilities

Responsibilities of directors for the financial statements

As explained more fully in the directors' responsibilities statement set out on page 4, the directors are responsible for the preparation of the financial statements in accordance with the applicable financial reporting framework that give a true and fair view, and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

A further description of our responsibilities for the audit of the financial statements is located on the IAASA's website at: https://iaasa.ie/wp-content/uploads/docs/media/IAASA/Documents/audit-standards/Description_of_auditors_responsibilities_for_audit.pdf.

This description forms part of our auditor's report.

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

Our report is made solely to the Company's members, as a body, in accordance with section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Ian Gregory
for and on behalf of
Ernst & Young Chartered Accountants and Statutory Audit Firm

Cork

Date: 17 December 2025

PROFIT AND LOSS ACCOUNT
Financial Year Ended 30 September 2025

	<i>Notes</i>	2025 €'000	2024 €'000
Revenue¹	4	42,730	57,878
Cost of sales		(15,863)	(29,905)
Gross profit		26,867	27,973
Selling and administrative expenses	5	(15,005)	(13,412)
Operating profit	7	11,862	14,561
Finance costs	8	(4,109)	(5,468)
Finance income	8	1,344	2,969
Finance costs - net		(2,765)	(2,499)
Profit before income tax		9,097	12,062
Income tax expense	9	(1,369)	(1,626)
Profit for the financial year		7,728	10,436

¹ Revenue for the year ended 30 September 2025 including excise duty was €252,606k (2024: €228,765k).

STATEMENT OF COMPREHENSIVE INCOME
Financial Year Ended 30 September 2025

	<i>Notes</i>	2025 €'000	2024 €'000
Profit for the financial year		7,728	10,436
Remeasurement of defined benefit pension scheme	17	(3,562)	(1,854)
Deferred tax credit on remeasurement of pension scheme	9	445	232
		<hr/>	<hr/>
Other comprehensive income for the financial year		(3,117)	(1,622)
		<hr/>	<hr/>
Total comprehensive income for the financial year		4,611	8,814
		<hr/> <hr/>	<hr/> <hr/>

BALANCE SHEET
As at 30 September 2025

	Notes	2025 €'000	2024 €'000
Fixed assets			
Property, plant and equipment	10	1,521	1,759
Post-employment benefits	17	34,128	42,890
Right-of-use assets	19	487	596
		<u>36,136</u>	<u>45,245</u>
Current assets			
Inventories	11	233,950	201,031
Trade and other receivables	12	15,355	42,101
Cash and cash equivalents		-	723
		<u>249,305</u>	<u>243,855</u>
Creditors: amounts falling due within one year			
Other creditors	13	(211,735)	(210,957)
Lease liabilities	20	(308)	(293)
		<u>(212,043)</u>	<u>(211,250)</u>
Net current assets		<u>37,262</u>	<u>32,605</u>
Total assets less current liabilities		<u>73,398</u>	<u>77,850</u>
Creditors: amounts falling after more than one year			
Deferred tax provision	14	(4,161)	(5,092)
Lease liabilities	20	(192)	(324)
		<u>(4,353)</u>	<u>(5,416)</u>
Net assets		<u>69,045</u>	<u>72,434</u>
Capital and reserves			
Called up share capital presented as equity	15	6,250	6,250
Capital conversion reserve fund	15	99	99
Capital contribution	15	212	212
Retained earnings	15	62,484	65,873
Total equity		<u>69,045</u>	<u>72,434</u>

On behalf of the board

Deirdre Healy
Deirdre Healy

Morgan Lee
Morgan Lee

Date: 17 December 2025

STATEMENT OF CHANGES IN EQUITY
Financial Year Ended 30 September 2025

	Note	Called up share capital presented as equity €'000	Capital conversion reserve €'000	Capital Contribution €'000	Retained Earnings €'000	Total €'000
At 30 September 2023		6,250	99	212	67,059	73,620
Profit for the financial year		-	-	-	10,436	10,436
Other comprehensive expense for the financial year		-	-	-	(1,622)	(1,622)
Total comprehensive income for the financial year		-	-	-	8,814	8,814
Dividends paid	15				(10,000)	(10,000)
At 30 September 2024		6,250	99	212	65,873	72,434
Profit for the financial year		-	-	-	7,728	7,728
Other comprehensive expense for the financial year		-	-	-	(3,117)	(3,117)
Total comprehensive income for the financial year		-	-	-	4,611	4,611
Dividends paid	15	-	-	-	(8,000)	(8,000)
At 30 September 2025		6,250	99	212	62,484	69,045

NOTES TO THE FINANCIAL STATEMENTS

1 General information

John Player & Sons Limited, ("the company") distributes tobacco products in Ireland. The company is a private company limited by shares and is incorporated and domiciled in the Republic of Ireland. The address of its registered office is 21 Beckett Way, Park West, Nangor Road, Dublin 12.

The immediate holding company of John Player & Sons Limited is Van Nelle Tobacco International Holdings B.V., a company register in the Netherlands.

The ultimate holding company and controlling party of John Player & Sons Limited is Imperial Brands PLC. Imperial Brands PLC is the holding company of the smallest and largest group of undertakings for which group financial statements are drawn up and of which John Players & Sons Limited is a member. Copies of Imperial Brands PLC group financial statements can be obtained from the Company Secretary, Imperial Brands PLC, 121 Winterstoke Road, Bristol, BS32LL, United Kingdom.

John Player & Sons Limited had a subsidiary company John Player Ireland Pension Trustee Limited of which it owned 60% of the equity share capital. The company has opted to voluntarily strike off John Player Ireland Pension Trustee Limited from the register of companies and it ceased to exist effective 2 August 2024.

These financial Statements are the company's separate financial statements for the financial year ending 30 September 2025.

2 Material accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all financial years presented, unless otherwise stated.

(a) Basis of preparation and statement of compliance

The financial statements have been prepared on the going concern basis and in accordance with FRS 101, as issued by the financial Reporting Council and promulgated by the Institute of Chartered Accounts in Ireland, and the Companies Act 2014.

These financial statements, which are presented in euro ("€"), which is also the functional currency of the company, have been prepared under the historical cost convention and in accordance with the company's accounting policies under the International Financial Reporting Standards ("IFRS"). Unless otherwise stated the financial statements have been presented in thousands ('000).

The preparation of financial statements in conformity with FRS 101 requires the use of certain critical accounting estimates. It also requires management exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or areas where assumptions and estimates are significant to the financial statements are disclosed in note 3.

The following exemptions from the requirements of IFRS have been applied in the preparation of these financial statements, in accordance with FRS 101:

- Paragraphs 45 (b) and 46 to 52 of IFRS 2, 'Share-Based payment' (details of the number and weighted - average exercise price of share options, and how the fair value of goods or services received was determined).
- IFRS 7, 'Financial Instruments: Disclosures'
- Paragraphs 91 to 99 of IFRS 13, 'Fair Value measurements'
- 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 Revenue from Contacts with Customers
- Paragraph 52 of IFRS 16 'Leases'

NOTES TO THE FINANCIAL STATEMENTS - continued**2 Material accounting policies - continued****(a) Basis of preparation and statement of compliance - continued**

- IAS 7, 'Statements of Cash Flows'
- Paragraph 17 of IAS 24 'Related party disclosures (key management compensation)
- The requirements in IAS 24, 'Related party disclosures' to disclose related party transactions entered into between two or more members of a group.
- Paragraphs 30 and 31 of IAS 8 'Accounting policies, changes in accounting estimates and errors' (requirements for the disclosure of information when an entity has not applied a new IFRS that has been issued but is not yet effective.)
- Paragraph 38 of IAS 1, 'Presentation of financial statements' comparative information requirements in respect of:
 - (i) Paragraph 79 (a) (iv) of IAS 1;
 - (ii) Paragraph 73 (e) of IAS 16 'Property, plant and equipment';
- The following paragraphs of IAS 1 'Presentation of financial statements'
 - 10 (Statement of cash flows);
 - 16 (Statement of compliance with all IFRS);
 - 38A (requirement for minimum of two primary statements, including cash flow statements);
 - 38B (additional comparative information);
 - 111 - (cash flow statement information), and
 - 134 – 136 (capital management disclosures)
- Paragraph 52 of IFRS 16, 'Leases'

Where relevant, equivalent disclosures have been given in the group financial statements of Imperial Brands PLC. The group financial statements of Imperial Brands PLC are available to the public and can be obtained as set out in note 1.

(b) Going concern

The company meets its day-to-day working capital requirements through its cash reserves and bank facilities. The current economic conditions continue to create uncertainty particularly over the level of demand for the company's products. The company's forecasts and projections, taking account of reasonably possible changes in trading performance, show that the company should be able to operate within the level of its current facilities. After making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. The company therefore continues to adopt the going concern basis in preparing its financial statements.

The Directors have reviewed the company's revenues, costs and cashflows over the next 12 months. The company is also part of a larger group with considerable financial resources. As a consequence, the directors believe that the group and company is well placed to manage its business risks successfully.

After making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future.

Thus, they continue to adopt the going concern basis in preparing the annual financial statements.

NOTES TO THE FINANCIAL STATEMENTS - continued**2 Material accounting policies - continued****(c) Revenue recognition**

Under IFRS 15, the Company recognises revenue when the customer obtains control of the promised goods or services, in an amount that reflects the consideration to which the Company expects to receive in exchange for those goods or services. To determine the revenue recognition for arrangements that are within scope of IFRS 15, the Company performs the following five steps:

- a) Identify the contract with the customer;
- b) Identify the performance obligations in those contracts;
- c) Determine the transaction price;
- d) Allocate the transaction price to the performance obligations; and
- e) Recognise revenue as or when the performance obligations are satisfied.

Revenue from contracts with customers principally comprises sale of tobacco products to customers in Ireland. Revenue excludes duty, excises and other taxes and is after deducting rebates, returns and other similar discounts. Revenue is recognised when control is transferred to customers. This is usually at the point in time when significant risks and rewards of ownership are transferred to a third party. Sale of goods are recognised when the Company has delivered the products to the customer, the customer has accepted the products and collectability of the related receivables is reasonably assured.

(d) Leases

The company assesses whether a contract is or contains a lease, at inception of the contract. The company recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets (such as tablets and personal computers, small items of office furniture and telephones). For these leases, the company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Company uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise:

- Fixed lease payments (including in-substance fixed payments), less any lease incentives receivable;
- The amount expected to be payable by the lessee under residual value guarantees;
- The exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and;
- Payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is presented as a separate line in the balance sheet. The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made. The Company remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- The lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.
- 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 an unchanged 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).

NOTES TO THE FINANCIAL STATEMENTS - continued**2 Material accounting policies - continued****(d) Leases - continued**

A lease contract is modified, and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

The company did not make any such adjustments during the periods presented.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the company expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The right-of-use assets are presented as a separate line in the balance sheet.

The company applies IAS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in the 'Impairment of non-financial assets' policy in note 2(s).

As a practical expedient, IFRS 16 permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement. The Company has not used this practical expedient. For contracts that contain a lease component and one or more additional lease or non-lease components, the Company allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

(e) Foreign currency translation*Functional and presentation currency*

Items included in the financial statements of the company are measured using the currency of the primary economic environment in which the company operates ('the functional currency'). The financial statements are presented in 'Euro' (€), which is also the company's functional currency.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit and loss account.

(f) Trade and other receivables

Trade and other receivables are amounts due from customers for products sold. If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets. Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

(g) Employee benefits

The company operates various post-employment schemes, including both defined benefit and defined contribution pension plans.

NOTES TO THE FINANCIAL STATEMENTS – continued**2 Material accounting policies - continued****(g) Employee benefits - continued****Pension obligations**

A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. The company has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. A defined benefit plan is a pension plan that is not a defined contribution plan. Typically, defined benefit plans define an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation.

The asset/liability recognised in the balance sheet in respect of defined benefit pension plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension obligation. In countries where there is no deep market in such bonds, the market rates on government bonds are used.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to shareholders' funds in other comprehensive income in the period in which they arise.

The amount charged or credited to finance costs is a net interest amount calculated by applying the liability discount rate to the net defined benefit liability or asset.

Past-service costs are recognised immediately in the profit and loss account.

For defined contribution plans, the company pays contributions to privately administered pension plans. The company has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

When a settlement (eliminating all obligations for defined benefits already accrued) or a curtailment (reducing future obligations as a result of a material reduction in the scheme membership or a reduction in future entitlement) occurs, the obligation and related plan assets are remeasured using current actuarial assumptions and the resultant gain or loss is recognised in profit or loss during the period in which the settlement or curtailment occurs.

(h) Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short term highly liquid investments with original maturities of three months or less and bank overdrafts. In the balance sheet, bank overdrafts are shown within borrowings in current liabilities.

(i) Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

(j) Property, plant and equipment

Property, plant and equipment are stated at historical cost less accumulated depreciation. Historical cost comprises that invoice cost of the assets as well as costs directly related to their acquisition and installation. Depreciation is calculated in order to write off the cost of fixed assets by equal instalments over their estimated useful lives as follows:

Computer equipment	33½% straight line
Fixtures and fittings	20% straight line
Vending units	20% straight line

NOTES TO THE FINANCIAL STATEMENTS - continued**2 Material accounting policies - continued****(j) Property, plant and equipment - continued**

Vending units not in use and computer equipment not in use are not depreciated. Depreciation commences once the assets are available for use in the location and condition necessary for it to be capable of operating in the manner intended by management.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Gains and losses on disposals are calculated by comparing the proceeds with the carrying amount and are recognised within other income in the profit and loss account.

(k) Stocks

Stocks are stated at the lower of cost and net realisable value. Cost includes all expenditure incurred in bringing each product to its present location and condition and includes the relevant government duty. Cost is determined using the First In First Out method. Net realisable value is based on estimated normal selling price less further costs expected to be incurred in selling and distribution. Stocks are assessed for impairment at the end of each financial year.

(l) Current and deferred tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in the profit and loss account, 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.

The current tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax is not recognised if it arises from the initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss, and at the time of the transaction, does not give rise to equal taxable and deductible temporary differences. Deferred tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred tax asset is realised, or the deferred income tax liability is settled.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

(m) Financial instruments**(i) Recognition and initial measurement**

Financial assets and financial liabilities are initially recognised when the company becomes a party to the contractual provisions of the instrument. A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at fair value through profit or loss ("FVTPL"), transaction costs that are directly attributable to its acquisition or issue.

NOTES TO THE FINANCIAL STATEMENTS - continued**2 Material accounting policies - continued****(m) Financial Instruments - continued****(ii) Classification and subsequent measurement****Financial Assets****(a) Classification**

On initial recognition, a financial asset is classified as measured at amortised cost, fair value through other comprehensive income ("FVOCI"), or FVTPL. Financial assets are not reclassified subsequent to their initial recognition unless the company changes its business model for managing financial assets in which case all affected financial assets are reclassified on the first day of the reporting period following the change in business model.

A financial asset is measured at amortised cost if it meets both of the following conditions:

- It is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- Its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(b) Subsequent measurement and gains and losses

Financial assets at amortised cost are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by expected credit losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gains or losses on derecognition is recognised in profit or loss.

Financial Liabilities

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

(iii) Expected Credit Losses

The company recognises loss allowances for expected credit losses ("ECLs") on financial assets measured at amortised cost, debt instruments measured at FVOCI and contract assets. The company measures loss allowances at an amount equal to lifetime EGL, except for other debt securities and bank balances for which the credit risk has not increased significantly since initial recognition which are measured as 12-month ECLs.

(n) Creditors

Creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers.

(o) Share based payments

The company participates in the Imperial Brands PLC equity-settled share-based payment scheme which comprises of a share save option plan and a share matching scheme. Share-based payments are measured at fair value (measured using the Black-Scholes option pricing model) at the date of award and are expensed over the vesting period, based on the company's estimate of options and shares that will ultimately vest. This value is subsequently updated at each balance sheet date for management's best estimate of the effect of non-market based vesting conditions on the number of options and shares that will ultimately vest. The cost is recognised as an expense over the vesting period by calculating the cumulative expense and recognising the movement in the cumulative expense in the profit and loss account. The company makes payments to its holding company in respect of options and shares awarded.

NOTES TO THE FINANCIAL STATEMENTS – continued**2 Material accounting policies - continued****(p) Dividends**

Dividends on equity shares are recognised in the financial statements when they have been appropriately approved by the company shareholders and are no longer at the discretion of the company.

(q) Impairment of non-financial assets

At the end of each financial year non-financial assets are assessed to determine whether there are any indicators that the asset may be impaired. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use. For the purpose of assessing impairment, assets are grouped at the lowest level for which there are independent cash flows (cash generating units). Prior impairments are reviewed for possible reversal at each reporting date.

(r) Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the profit and loss account over the period of the borrowings using the effective interest method. All borrowing costs are recognised in the profit and loss account.

(s) New and revised IFRS affecting amounts reported and/ or disclosures in the financial statements

The following standards and interpretations, issued by the IASB and IFRIC Interpretations Committee are effective for the first time in the year ended 30 September 2025:

- Classification of Liabilities as Current or Non-Current (Amendments to IAS 1).
- Lease Liability in a Sale and Leaseback (Amendments to IFRS 16).
- Non-current Liabilities with Covenants (Amendments to IAS 1).
- Disclosure of Supplier Finance Arrangements (Amendments to IAS 7 and IFRS 7).

None of the above amendments have had a material impact on the John Player & Sons Limited Company financial statements.

3 Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

a) Critical accounting estimates and assumptions

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

i. Defined benefit pension scheme

The company has an obligation to pay pension benefits to certain employees. The cost of these benefits and the present value of the obligation depend on a number of factors, including; life expectancy, salary increases, asset valuations and the discount rate on corporate bonds. Management estimates these factors in determining the net pension obligation at the balance sheet date. The assumptions reflect historical experience and current trends. See note 17 for the disclosures in respect of the defined benefit pension scheme.

ii. Impairment of trade receivables

The company makes an estimate of the recoverable value of trade and other debtors. When assessing impairment of trade and other receivables, management considers factors including the credit rating of the receivable, the age profile of receivables and historical experience together with forward looking information. See note 12 for the net carrying amount of the receivables and associated impairment provision

NOTES TO THE FINANCIAL STATEMENTS - continued

3 Critical accounting estimates and judgements - continued.

b) Critical judgements in applying the entity's accounting policies

There are no critical judgements apart from those involving estimates made by the directors that have had significant effect on the amounts recognised in the financial statements.

4 Revenue

Revenue represents the invoiced value of tobacco products sold by the company exclusive of freight, value added tax, trade discounts and excise duty. Revenue for the year ended 30 September 2025 including excise duty was €252,606k (2024: €286,643k).

All revenue arises from the sale of tobacco products in the Republic of Ireland.

5 Selling and administrative expenses

	2025	2024
	€'000	€'000
Selling and administrative expenses are comprised as follows:		
Staff costs	9,875	8,194
Depreciation	818	744
Other operating costs	4,312	4,474
	<u>15,005</u>	<u>13,412</u>

6 Employees and directors

The average number of persons (including executive directors) employed by the company during the financial year was 39 (2024:40) and is analysed as follows:

	2025	2024
	number	Number
Management	8	8
Trading	31	32
	<u>39</u>	<u>40</u>
Staff costs comprise:		
	2025	2024
	€'000	€'000
Wages and salaries (a)	2,935	2,576
Social insurance costs	245	235
Retirement benefit costs (b)	6,695	5,383
	<u>9,875</u>	<u>8,194</u>

(a) Included in wages and salaries above is an expense relating to share-based payments of €84k (2024: €56k). All of this expense arises from equity settled share-based payments (note 16). All of the above staff costs have been treated as an expense in the profit and loss account.

NOTES TO THE FINANCIAL STATEMENTS - continued**6 Employees and directors - continued**

(b) Retirement benefit costs comprise:

	2025	2024
	€'000	€'000
Defined contribution scheme pension costs	151	61
Defined benefit scheme pension costs	80	205
Settlement costs (i)	6,464	5,117
	<u>6,695</u>	<u>5,383</u>

(i) Included in settlement costs is an expense of €6,464k (2024: €5,117k) relating to a settlement in the pension scheme.

7 Operating profit**a. Operating profit is stated after charging/(crediting) the following:**

	2025	2024
	€'000	€'000
Depreciation - Property, Plant & Equipment (Note 10)	499	469
Depreciation - Right-of-Use Assets (Note 19)	319	275
Rental income	(51)	(42)
Impairment of trade receivables	318	465
Impairment of inventory	165	281
Cost of inventory recognised as an expense	27,960	31,146
(Profit)/Loss on foreign exchange	-	(1)
	<u>-</u>	<u>(1)</u>

Foreign exchange losses have been included within "other operating costs" in the "Selling and administrative expenses" line item in the Profit and Loss account.

b. Auditors' remuneration

Remuneration (including expenses) for the statutory audit and other services carried out by the company's auditors is as follows:

	2025	2024
	€'000	€'000
Audit of the entity financial statements	69	64
Tax advisory services	-	-
Other assurance services	-	-
	<u>69</u>	<u>64</u>

c. Directors' remuneration

Emoluments	433	400
Pension contributions to defined benefit scheme	8	24
Pension contributions to defined contribution scheme	-	-
Gain on exercise of share options	-	-
	<u>441</u>	<u>424</u>

Retirement benefits are accruing to 1 director (2024: 1) under a defined benefit scheme and no director (2024: Nil) under a defined contribution scheme

NOTES TO THE FINANCIAL STATEMENTS - continued

8 Finance income and costs

Finance income

	2025	2024
	€'000	€'000
Net interest income on post-employment benefits (note 17(a))	1,344	2,013
Interest receivable	-	956
	<u>1,344</u>	<u>2,969</u>

Finance costs

	2025	2024
	€'000	€'000
Net interest expense on post-employment benefits (note 17(a))	-	-
Debtor factoring interest	665	1,578
Interest payable on IBT facility	3,416	3,864
Interest expense on lease liabilities	28	26
	<u>4,109</u>	<u>5,468</u>

Factoring interest comprises interest charged on debtors that are factored through an intercompany factoring arrangement.

Net finance cost

	2025	2024
	€'000	€'000
Interest income	1,344	2,969
Interest expense	(4,109)	(5,468)
	<u>(2,765)</u>	<u>(2,499)</u>

9 Income tax expense

	2025	2024
	€'000	€'000
Tax expense included in profit and loss		
Irish corporation tax on profit for the financial year	1,828	1,988
Adjustments in respect of previous financial years	27	-
Total current tax	<u>1,855</u>	<u>1,988</u>
Deferred tax:		
Origination and reversal of temporary differences	58	(55)
Timing differences on pensions	(544)	(307)
Total deferred tax	<u>(486)</u>	<u>(362)</u>
Total tax on profit	<u>1,369</u>	<u>1,626</u>

NOTES TO THE FINANCIAL STATEMENTS - continued

9 Income tax expense - continued

The tax charge for the financial year differs from the charge that would result from applying the standard rate of Irish corporation tax to the profit on ordinary activities before taxation. The differences are explained below:

	2025 €'000	2024 €'000
Profit on ordinary activities before tax	<u>9,097</u>	<u>12,062</u>
Profit on ordinary activities multiplied by the average rate of Irish corporation tax for the year of 12.5% (2024:12.5%)	1,137	1,508
<i>Effects of:</i>		
Adjustments in respect of previous financial years	27	-
(Income)/Expenses (not taxable)/not deductible for tax purposes	199	(6)
Capital allowances in excess of depreciation	-	-
Higher rate on interest and other income	<u>6</u>	<u>125</u>
Tax charge for the financial year	<u><u>1,369</u></u>	<u><u>1,627</u></u>
Tax (credit)/expense included in other comprehensive income		
Deferred tax:		
Deferred tax (credit)/charge on re-measurement of pension asset	<u>(445)</u>	<u>(232)</u>
Total tax (credit)/expense included in other comprehensive income	<u><u>(445)</u></u>	<u><u>(232)</u></u>

On 18 December 2023 the Government of Ireland, enacted the Pillar Two income taxes legislation into Finance (No.2) Act 2023 which allows for a minimum effective tax rate of 15% to be applied to companies in the State subject to certain conditions. Imperial Tobacco Intellectual Property Limited is a member of the John Player group and is expected to be within the scope of Part 4A of the Taxes Consolidation Act (TCA) 1997. While the company is expected to be within the scope of Pillar Two it has assessed the impact of Pillar Two and it does not expect that a top-up tax will be payable for the year ended 30 September 2025 on the basis that the company should satisfy the transitional CbCR safe harbour.

The company has applied the temporary exception issued by the IASB in May 2023 from the accounting requirements for deferred taxes in IAS 12. Accordingly, the company neither recognises nor discloses information about deferred tax assets and liabilities related to Pillar Two income taxes. The company continues to assess the impact and its obligations in respect of the Pillar Two income taxes legislation.

NOTES TO THE FINANCIAL STATEMENTS - continued

10 Property, plant and equipment

	Fixtures and fittings €'000	Vending units not in use €'000	Vending units in use €'000	Computer equipment not in use €'000	Computer equipment in use €'000	Total €'000
Financial year ended 30 September 2024						
Opening carrying amount	1,593	200	-	1	20	1,814
Additions	333	64	-	9	8	414
Disposals	-	-	-	-	-	-
Transfers	-	-	-	-	-	-
Depreciation	(452)	-	-	-	(17)	(469)
Carrying amount	1,474	264	-	10	11	1,759
At 30 September 2024						
Cost	3,169	264	2,804	25	2,092	8,354
Accumulated depreciation	(1,695)	-	(2,804)	(15)	(2,081)	(6,595)
Carrying amount	1,474	264	-	10	11	1,759
Financial year ended 30 September 2025						
Opening carrying amount	1,474	264	-	10	11	1,759
Additions	261	-	-	-	-	261
Disposals	-	-	-	-	-	-
Transfers	-	-	-	-	-	-
Depreciation	(488)	-	-	-	(11)	(499)
Carrying amount	1,247	264	-	10	-	1,521
At 30 September 2024						
Cost	3,430	264	2,804	25	2,092	8,615
Accumulated depreciation	(2,183)	-	(2,804)	(15)	(2,092)	(7,094)
Carrying amount	1,247	264	-	10	-	1,521

NOTES TO THE FINANCIAL STATEMENTS – continued

11 Inventories	2025	2024
	€'000	€'000
Work in progress (duty stamps)	33,165	7,685
Goods for resale	200,785	193,346
	<u>233,950</u>	<u>201,031</u>

Included in the balance above is an amount of €165k (2024: €279k) in relation to an inventory provision.

The cost of inventories recognised as an expense includes €28k (2024: €50k) in respect of write-downs of inventory to net realisable value. The replacement cost of stocks does not differ significantly from the amounts shown above.

12 Trade and other receivables	2025	2024
	€'000	€'000
Amounts falling due within one year:		
Trade receivables (a)	2,840	21,020
Other debtors	3	90
Amounts owed by parent and fellow subsidiary undertakings (b)	10,976	20,240
Current tax asset	1,423	629
Prepayments	113	121
	<u>15,355</u>	<u>42,101</u>

(a) Included in the balance above is an amount of €639k (2024: €562k) in relation to a bad debt provision. Bad debts expensed during the year amounted to €318k (2024: €465k). The company is party to a factoring arrangement with another group company. At year end, trade receivables of €24,682k (2024: €21,515k) were factored under this arrangement thus reducing trade receivables by that amount at year end. Related factoring interest is disclosed in note 8.

(b) As at 30 September 2025, €nil (2024: €19,777k) was owed from Imperial Tobacco Germany Finance GMBH as the loan was transferred to IBF and an amount of €10,438k was due at year end. The loan is unsecured, bears interest and is repayable on demand.

13 Creditors: amounts falling due within one year	2025	2024
	€'000	€'000
Trade creditors (a)	1,176	237
Taxation and social insurance (c)	186,086	181,777
Amounts owed to fellow subsidiary undertakings - trading (b) (i)	15,959	14,721
Amounts owed to fellow subsidiary undertakings – loan (b) (ii)	2,721	9,375
Amounts owed to parent undertaking - trading (b) (iii)	2,801	2,801
Accruals	2,992	2,046
	<u>211,735</u>	<u>210,957</u>

(a) Trade and other creditors are payable at various dates in the three months after the balance sheet date in accordance with the suppliers' usual and customary credit terms.

NOTES TO THE FINANCIAL STATEMENTS - continued

13 Creditors: amounts falling due within one year - continued

(b)

- (i) The amounts owing to fellow subsidiaries are unsecured, interest free, have no fixed repayment date and are repayable on demand.
- (ii) The loans with other subsidiary undertakings are unsecured, interest payable and is repayable on demand. The interest rate is calculated using a short-term interest rate ("STIR") of 4.1570% plus margin of 0.125%.
- (iii) As at 30 September 2025, €2,801k (2024: €2,801k) was owing to the company's parent undertaking.

(c) Taxation and social insurance

	2025	2024
	€'000	€'000
Taxation and social insurance included above is comprised as follows:		
Income tax deducted under PAYE	42	43
Pay related social insurance	30	31
Value added tax	5,503	8,681
Excise duty	180,511	173,022
	<u>186,086</u>	<u>181,777</u>

Tax and social insurance are payable at various dates in accordance with the applicable statutory provisions.

14 Deferred tax provision

	Accelerated tax depreciation	Retirement benefit obligations	Total
	€'000	€'000	€'000
At 30 September 2023	18	(5,704)	(5,686)
Charge to profit or loss	56	306	362
Charge to other comprehensive income	-	232	232
At 30 September 2024	<u>74</u>	<u>(5,166)</u>	<u>(5,092)</u>
Charge to profit or loss	(58)	544	486
Credit to other comprehensive income	-	445	445
At 30 September 2025	<u><u>16</u></u>	<u><u>(4,177)</u></u>	<u><u>(4,161)</u></u>

NOTES TO THE FINANCIAL STATEMENTS – continued

15 Called up share capital presented as equity

	2025	2024
	€'000	€'000
Authorised		
5,000,000 (2024: 5,000,000) ordinary shares of €1.25 each	<u>6,250</u>	<u>6,250</u>
Allotted, called up and fully paid - presented as equity		
5,000,000 (2024: 5,000,000) ordinary shares of €1.25 each	<u>6,250</u>	<u>6,250</u>

There is a single class of equity shares. There are no restrictions on the distribution of dividends or the repayment of capital. The capital conversion reserve fund arose on the renominatisation of the company's share capital to Euro. Retained earnings represent accumulated comprehensive income for the financial year and prior years, less dividends paid.

The company paid a dividend of €8,000k per share, during the year (2024: €10,000k).

16 Share based payments

The company participates in Imperial Brands PLC's share save option plan and share match plan which form part of the remuneration of certain employees.

Under the International Sharesave Plan, the Board of Imperial Brands PLC may offer options to purchase ordinary shares in the Imperial Brands PLC to non-UK employees who enter into a savings contract. The price at which options may be offered will not be less than 80% of the mid-market price of an Imperial Brands PLC ordinary share on the London Stock Exchange on the day prior to invitation. The options may normally be exercised during the six months after expiry of the savings contract, three years after entering the Plan. The majority of awards under the International Sharesave Plan are equity-settled.

In the Share Match Plan any shares purchased by employees from bonus payments are matched by the company three years from the transaction date if the employee continues to be employed in three years' time.

Under the Discretionary Share Award Plan ("DSAP"), one-off conditional awards are made to individuals to recognise exceptional contributions within the business. Awards, which are not subject to performance conditions, and under which vested shares do not attract dividend roll-up, will normally vest on the third anniversary of the date of grant subject to the participant's continued employment. The limit of an award under the DSAP is capped at 25 percent of the participant's salary at the date of grant. Shares used to settle awards under the DSAP will be market purchased.

The company recognises a share-based payment expense based on the fair value of the awards granted, and an equivalent credit directly in equity, none recognised in the current year. On exercise of the awards by the employees the company is charged the intrinsic value of the shares by Imperial Brands PLC. This amount is treated as a reduction in equity.

NOTES TO THE FINANCIAL STATEMENTS – continued

16 Share based payments - continued

The following table summarises the company's activity under the share-based payment plans for the years ended 30 September 2025 and 2024:

2025	Discretionary Share award plans	Share matching scheme awards	LTIP	Sharesave Plan options	Sharesave Plan weighted average exercise price
Outstanding at 1 October 2024	1,367	5,645	7,709	-	-
Granted	-	473	3,918	-	-
Lapsed/ cancelled	-	-	(590)	-	-
Exercised	(510)	(2,387)	(2,597)	-	-
Outstanding at 30 September	857	3,731	8,440	-	-
Exercisable at 30 September	-	-	-	-	-
Weighted average remaining contractual life	0.86	0.89	1.48	-	-
2024	Discretionary Share award plans	Share matching scheme awards	LTIP	Sharesave Plan options	Sharesave Plan weighted average exercise price
Outstanding at 1 October 2024	1,042	5,984	8,147	727	13.72
Granted	325	2,529	3,517	-	-
Lapsed/ cancelled	-	-	(594)	(34)	12.37
Exercised	-	(2,868)	(3,361)	(693)	12.37
Outstanding at 30 September	1,367	5,645	7,709	-	38
Exercisable at 30 September	-	-	-	-	-
Weighted average remaining contractual life	1.3	1.38	1.39	-	-

Net movement in respect of share-based payments reflected in these financial statements

	2025 €'000	2024 €'000
Share based payments - charge to profit and loss account	84	56
Payments made to parent company	(84)	(56)
Distribution to holding company	-	-

Share Save Scheme

There were no options outstanding at 30 September 2025 (2024: nil).

Share Matching Scheme

The weighted average share price at the date of exercise for share options exercised relating to the share match options during the financial year was Stg£12.13 (2024: Stg£8.43). The options outstanding at 30 September 2025 had exercise prices ranging from Stg£14.56 to Stg£16.04 (2024: Stg£12.37 to Stg£16.04) and a weighted average remaining contractual life of 0.89 years (2024: 1.38 years). No options were granted in the period ended 30 September 2025. In 2024, options were granted on 15 February with a fair value of Stg£14.56.

NOTES TO THE FINANCIAL STATEMENTS - continued**17 Post-employment benefits**

The company operated two pension schemes and assumed the responsibility for the defined benefit scheme from a fellow subsidiary, Imperial Tobacco Mullingar. These schemes comprise two defined benefit pension schemes and a defined contribution scheme.

John Player & Sons Limited operates a defined benefit pension scheme with assets held in a separately administered fund. The contributions are determined by a qualified actuary on the basis of triennial valuations. On 30 March 2009, the scheme was closed to new entrants. As this scheme is closed, it has an age profile that is rising and therefore under the projected unit method, the current service cost will increase as the members of the scheme approach retirement. At the same time, the company established a defined contribution scheme to provide benefits to new employees.

During the year ended 30 September 2017, John Player & Sons Limited assumed the responsibility for the defined benefit scheme from a fellow subsidiary, Imperial Tobacco Mullingar, which was liquidated. This defined benefit obligation was transferred to John Player & Sons Limited on 1 January 2017. The John Player & Sons Limited schemes have been included in Note 17(a).

(a) John Player & Sons Limited pension schemes

Contributions made to the John Player & Sons Limited defined contribution scheme during the year amounted to €nil (2024: €nil). There were no contributions payable at the year-end (2024: €nil).

The most recent triennial valuation of the defined benefit scheme was undertaken as at 31 March 2023. This valuation is available for inspection by the scheme members but not for public inspection. An updated actuarial valuation, on which the amounts recognised in the financial statements are based, was carried out at 30 September 2025, using the projected unit credit method. The amounts recognised in the financial statements are based on the updated valuation.

Through this defined benefit pension plan, the company is exposed to a number of risks, the most significant of which are detailed below:

Asset volatility

The plan liabilities are calculated using a discount rate set with reference to corporate bond yields; if plan assets underperform this yield, this will create a deficit. The Plan holds a significant proportion of equities which are expected to outperform corporate bonds in the long-term while providing volatility and risk in the short term.

The Company believes that due to the long-term nature of the plan liabilities and the strength of the supporting Company, a level of continuing equity investment is an appropriate element of the Company's long-term strategy to manage the plan efficiently.

Change in bond yields

A decrease in bond yields will increase plan liabilities, although this will be partially offset by an increase in the value of the Plan's bond holdings.

Inflation risk

The pension obligations of the Plan are linked to inflation, and higher inflation will lead to higher liabilities (although caps on the level of inflationary increases are in place to protect the Plan against extreme inflation). The majority of the Plan's assets are linked to inflation, although differences in measurement points may mean that they do not exactly match the liabilities. The remainder of the assets are either unaffected by (fixed interest bonds) or loosely correlated with (equities) inflation. Therefore, in aggregate, it is likely that an increase in inflation would reduce the pension asset.

NOTES TO THE FINANCIAL STATEMENTS - continued

17 Post-employment benefits - continued

17(a) John Player & Sons Limited pension schemes - continued

Life expectancy

The majority of the Plan's obligations are to provide benefits for the life of the member, so increases in life expectancy will result in an increase in the Plan's liabilities.

The Company does not use derivatives to manage the investment risks in this Plan. Investments are well diversified, such that the failure of any single investment would not have a material impact on the overall level of assets. The majority of the assets consist of equities and bonds, although there is sometimes also a small cash holding.

Significant actuarial assumptions and sensitivity analysis	2025	2024
	%	%
The principal assumptions at the balance sheet date were as follows:		
Discount rate	3.94	3.39
Future salary increases	3.00	3.00
Future pension increases	2.00	2.00
Price inflation	2.00	2.00

Assumptions regarding future mortality are set based on advice from published statistics and experience.

The mortality assumptions are based on standard mortality tables which allow for future mortality improvements.

Longevity at 65 for current pensioners:	2025	2024
	years	Years
Male	24.1	23.0
Female	26.8	25.8

If the discount rate was decreased by 0.5% the defined benefit obligation is expected to increase by 9.8% while if the discount rate increased by 0.5% the defined benefit obligation is expected to decrease by 8.6%. If inflation decreased by 0.5% the defined benefit obligation is expected to decrease by 7.3% while if inflation increased by 0.5% the defined benefit obligation is expected to increase by 8.3%.

The company expects to make no contributions to the defined benefit scheme during the next financial year.

NOTES TO THE FINANCIAL STATEMENTS - continued

17 Post-employment benefits - continued

17(a) John Player & Sons Limited pension schemes - continued

	Scheme assets €'000	Scheme liabilities €'000	Pension surplus €'000
Reconciliation of scheme assets and liabilities			
At 30 September 2023	79,429	(31,376)	48,053
Current service cost	-	(205)	(205)
Interest income/(expense)	3,325	(1,312)	2,013
Remeasurement gains/(losses):			
Return on plan assets excluding interest income	4,591	-	4,591
Actuarial gain	-	(6,445)	(6,445)
Employer contributions	-	-	-
Transfer payment	-	-	-
Plan participants' contributions	504	(504)	-
Benefits paid	(221)	221	-
Settlements (i)	(26,980)	21,863	(5,117)
At 30 September 2024	60,648	(17,758)	42,890
Current service cost	-	(80)	(80)
Interest income/(expense)	1,849	(505)	1,344
Remeasurement gains/(losses):			
Return on plan assets excluding interest income	(4,179)	-	(4,179)
Actuarial gain	-	617	617
Employer contributions	-	-	-
Benefits paid	(155)	155	-
Settlements (i)	(11,985)	5,521	(6,464)
At 30 September 2025	46,178	(12,050)	34,128

All of the scheme liabilities above arise from schemes that are wholly funded.

Total cost recognized as an expense

	2025 €'000	2024 €'000
The amounts recognized in the profit and loss account in respect of the defined benefit scheme as follows:		
Current service cost	80	205
Past service cost – plan amendments	6,464	5,117
Net interest income	(1,344)	(2,013)
Administrative costs	-	-
Cost/ (income) recognized in profit and loss	<u>5,200</u>	<u>3,309</u>

- (i) During the year, an enhanced transfer value (“ETV”) was offered to Active Members of the John Player & Sons Limited pension scheme. As part of the settlement, an amount of €6,464k (2024: €5,117k) was charged to the profit and loss account.

NOTES TO THE FINANCIAL STATEMENTS - continued

17 Post-employment benefits – continued

	2025 €'000	2024 €'000
The fair value of the plan assets was:		
Debt securities	13,022	27,959
Cash and cash equivalents	33,156	32,689
	<u>46,178</u>	<u>60,648</u>
The return on plan assets was:		
Interest income	1,849	3,325
Remeasurement gain/ (loss)	(4,179)	4,591
Total return/ (loss) on plan assets	<u>(2,330)</u>	<u>7,916</u>

(b) Imperial Tobacco Mullingar scheme

John Player & Sons Limited assumed the responsibility for the defined benefit scheme from a fellow subsidiary Imperial Tobacco Mullingar during the year ended 30 September 2017.

The Imperial Tobacco Mullingar defined benefit scheme was fully unwound as at 30 September 2024 and the ending position was nil.

18 Legal proceedings

The company is currently involved in a number of legal cases, in which claimants are seeking damages for alleged smoking-related health effects. In the opinion of the company's lawyers, the company has meritorious defences to these actions, all of which are being vigorously contested. Although it is not possible to predict the outcome of the pending litigation, the directors believe it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation and therefore that the pending actions will not have any material adverse effect upon the results or financial position of the company.

NOTES TO THE FINANCIAL STATEMENTS - continued

19 Right-of-use assets

	Buildings €'000	Motor Vehicles €'000	Total €'000
Cost			
At 30 September 2023	655	895	1,550
Disposals	-	359	359
At 30 September 2024	655	1,254	1,909
Additions/disposals	-	210	210
At 30 September 2025	655	1,464	2,119
Accumulated Depreciation			
At 30 September 2023	(375)	(663)	(1,038)
Charge for the year	(93)	(182)	(275)
At 30 September 2024	(468)	(845)	(1,313)
Charge for the year	(95)	(224)	(319)
At 30 September 2025	(563)	(1,069)	(1,632)
Carrying Amount			
At 30 September 2025	92	395	487
At 30 September 2024	187	409	596

The Company leases several assets including a property building and motor vehicles. The lease term for the building is 10 years (2024: 10 years) and for motor vehicles is 3 years (2024: 3 years).

	2025 €'000	2024 €'000
Depreciation expense on right-of-use assets	319	275
Interest expense on lease liabilities	28	26
Expense relating to short-term leases	-	-

At 30 September 2025, the company is not committed to any short-term leases.

20 Lease Liabilities

	2025 €'000	2024 €'000
Analysed as:		
Non-current	192	324
Current	308	293
	500	617
Maturity Analysis:		
Year 1	308	293
Year 2	124	252
Year 3	51	65
Year 4	17	7
Year 5	-	-
Onwards	-	-
	500	617

The company does not face a significant liquidity risk with regard to its lease liabilities. Lease liabilities are monitored at Group level.

NOTES TO THE FINANCIAL STATEMENTS - continued**21 Related party transactions**

John Player & Sons Limited is wholly owned within the Imperial Brands PLC group. Transactions with Imperial Brands PLC and with other wholly owned subsidiary companies of Imperial Brands PLC are not disclosed as the company has taken advantage of the exemption available under FRS 101 8 (k) which exempts qualifying entities from disclosing related party transactions entered into between two or more members of a group provided that any subsidiary which is a party to the transaction is wholly owned by a member of that group.

22 Events after the balance sheet date

There have been no significant events affecting the company's business since the financial year end.

23 Off-balance sheet arrangements

There were no off-balance arrangements at the end of the financial year (2024: nil).

24 Approval of the financial statements

The financial statements were approved and authorised for issue by the board of directors on the 17 December 2025 and were signed on its behalf on that date.