

**PADDINGTON INVESTMENT IRELAND
LIMITED**

Directors' report and audited financial statements
for the financial year ended 31 January 2025

Company number: 554101

PADDINGTON INVESTMENT IRELAND LIMITED

Annual report and Financial Statements

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PADDINGTON INVESTMENT IRELAND LIMITED

Directors' and Other Information

Directors	Darren Pidwell (British) Michael Stalley (Irish) Catherine Murphy (Irish)
Registered office	B. & Q. Warehouse, Liffey Valley Retail Park East, Ascail an Life, Dublin 22, D22 E892 Ireland
Company Secretary & Administrator	Michael Stalley
Company Number	554101
Independent Auditor	Deloitte Ireland LLP Deloitte & Touche House Charlotte Quay Limerick V94 X63C Ireland
Bank	HSBC Bank plc 8 Canada Square London E14 5HQ United Kingdom

PADDINGTON INVESTMENT IRELAND LIMITED

Directors' Report

The Directors present their annual report, together with the audited financial statements of Paddington Investment Ireland Limited (the "Company") for the financial year ended 31 January 2025.

Principal Activities, Business Review and Future Developments

The principal activity of the Company is that of a holding company within the Kingfisher plc group (the "Group"). The directors envisage that the Company will continue this activity in the future. During the current financial year, the company received dividends of EUR4,586,066 (2024: EURnil). During the financial year ended 31 January 2025 an impairment charge of EUR88,058,036 was recognised (2024: EURnil) in respect of Koctas Yapi Marketleri Ticaret A.S..

Principal Risks and Uncertainties

The Company is exposed to the following key risks:

Market risk

The Company's exposure to market risk at the reporting date is the carrying value of the investment in Koctas Yapi Marketleri Ticaret A.S. and KSO Istanbul Sourcing Ev Gelistirme Ürünleri ve Hizmetleri Limited Şirketi (see note 6). The Company assesses the recoverability of its investments at the end of each financial year. During the financial year ended 31 January 2025 an impairment charge of EUR88,058,036 was recognised (2024: EURnil) in respect of Koctas Yapi Marketleri Ticaret A.S. .

Liquidity risk

The Company's cash and cash equivalents are held with HSBC Bank plc., which is currently rated A1 by Moody's.

The Company has minimum liabilities, and its liquidity risk is not considered a key risk.

Foreign exchange risk

The Company's principal currency exposure is to the Turkish Lira, through its investments in Turkish companies.

Results for the Financial Year and Dividends

The Profit and Loss Account for the financial year ended 31 January 2025 and the Balance Sheet at that date are set out on pages 10 and 11. The loss for the financial year before taxation amounted to EUR83,329,622 (2024: Profit EUR266,592) The net assets of the Company as at 31 January 2025 amounted to EUR6,148,288 (2024: EUR76,513,497).

The Directors did not declare any dividends during the financial year and no interim dividends were paid during the financial year (2024: EURnil).

Going Concern

As at 31 January 2025, the current assets of the Company exceed its current liabilities by EUR748,288 (2024: EUR5,746,497).

The Directors, in combination with the Directors of Kingfisher plc, have analysed the Company's liquidity position and cash flow projections, for at least 12 months from the date on which these financial statements are approved. The Directors therefore have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future and they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

PADDINGTON INVESTMENT IRELAND LIMITED

Directors' Report (continued)

Political and Charitable Contributions

The Electoral Act, 1997 (as amended by the Electoral Amendment Political Funding Act, 2012) requires companies to disclose all political donations over EUR200 in aggregate made during a financial year. The directors, on enquiry, have satisfied themselves that no such donations in excess of this amount have been made by the Company during the financial year ended 31 January 2025 (2024: EURnil).

Change of Directors and Secretary

There have been no changes to the directors and secretary during the financial year or since the financial year end.

Directors' and Secretary's Interests

The Directors and the Company secretary who served at any time during the financial year are set out above. The Directors and the Company Secretary who served at the year end are set out on page 2.

In accordance with the Company's Articles of Association, the directors are not required to retire by rotation.

The Directors and the Company Secretary, who held office at any time during the year, did not have any direct or beneficial interest in the shares, share options, deferred shares or debentures of the Company, or any Group company at that date or during the financial year, requiring disclosure pursuant to Section 329 of the Companies Act 2014.

Directors' Indemnity

The Company's ultimate parent, Kingfisher plc, has purchased and maintained Directors' and Officers' liability insurance throughout the financial year. The insurance does not provide cover in the event that the Director concerned has been proven to have acted fraudulently.

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, include the provision of appropriate resources to maintain adequate accounting records, including the appointment of personnel with appropriate qualifications, experience and expertise.

In accordance with Section 283(2) of the Companies Act 2014, sufficient accounting records are also maintained in the Republic of Ireland to disclose, with reasonable accuracy, the assets, liabilities, financial position and profit or loss of the Company. The accounting records are available at the registered address of the Company, which is B. & Q. Warehouse, Liffey Valley Retail Park East, Ascail an Life, Dublin 22, D22 E892, Ireland

Statement on Relevant Audit Information

In the case of each Director at the time of signing, in accordance with section 330 of the Companies Act 2014:

- so far as each Director is aware, there is no relevant audit information of which the Company's statutory auditor is unaware; and
- each Director has taken all the steps 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 statutory auditor is aware of that information.

PADDINGTON INVESTMENT IRELAND LIMITED

Directors' Report (continued)

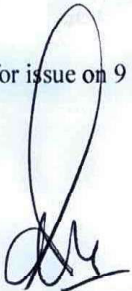
Auditor

Deloitte Ireland LLP, Registered Auditor, have expressed their willingness to continue in office in accordance with Section 383(2) of the Companies Act 2014.

This report was approved by the Board and authorised for issue on 9 December 2025.



Michael Stalley
Director



Darren Pidwell
Director

PADDINGTON INVESTMENT IRELAND LIMITED

Directors' Responsibilities Statement

The Directors' are responsible for preparing the Directors' Report and the financial statements in accordance with the Companies Act 2014.

Irish company law requires the Directors to prepare financial statements for each financial year. Under the law, the Directors have elected to prepare the financial statements in accordance with FRS 101 Reduced Disclosure Framework ("relevant financial reporting framework"). Under company law, the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the 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 those financial statements, the Directors are required to:

- select suitable accounting policies for the Company financial statements 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 the applicable accounting standards, identify those standards, and note the effect and the reasons for any material departure from those standards; 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 ensuring that the company keeps or causes to be kept adequate accounting records which correctly explain and record the transactions of the company, enable at any time the assets, liabilities, financial position and profit or loss of the company to be determined with reasonable accuracy, enable them to ensure that the financial statements and Directors' Report comply with the Companies Act 2014 and enable the financial statements to be audited.

They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PADDINGTON INVESTMENT IRELAND LIMITED

Report on the audit of the financial statements

Opinion on the financial statements of Paddington Investment Ireland Limited ("the company")

In our opinion the financial statements:

- give a true and fair view of the assets, liabilities and financial position of the company as at 31 January 2025 and of the loss for the financial year then ended; and
- have been properly prepared in accordance with the relevant financial reporting framework and, in particular, with the requirements of the Companies Act 2014.

The financial statements we have audited comprise:

- the Profit and Loss Account;
- the Balance Sheet;
- the Statement of Changes in Equity; and
- the related notes 1 to 14, including material accounting policy information as set out in note 3.

The relevant financial reporting framework that has been applied in their preparation is the Companies Act 2014 and FRS 101 'Reduced Disclosure Framework' issued by the Financial Reporting Council ("the relevant financial reporting framework").

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 described below 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 the ethical requirements that are relevant to our audit of the financial statements in Ireland, including the Ethical Standard issued by the Irish Auditing and Accounting Supervisory Authority, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the Annual Report and Audited Financial Statements, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the Annual Report and Audited Financial Statements. 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.

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PADDINGTON INVESTMENT IRELAND LIMITED

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.

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view and otherwise comply with the Companies Act 2014, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the 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.

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 IAASA's website at: <https://iaasa.ie/publications/description-of-the-auditors-responsibilities-for-the-audit-of-the-financial-statements>. This description forms part of our auditor's report.

Report on other legal and regulatory requirements

Opinion on other matters prescribed by the Companies Act 2014

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

- We have obtained all the information and explanations which we consider necessary for the purposes of our audit.
- In our opinion the accounting records of the company were sufficient to permit the financial statements to be readily and properly audited.
- The financial statements are in agreement with the accounting records.
- In our opinion the information given in the directors' report is consistent with the financial statements.
- In our opinion, those parts of the directors' report specified for our review, which does not include sustainability reporting when required by Part 28 of the Companies Act 2014, have been prepared in accordance with the Companies Act 2014.

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.

We have nothing to report in respect of the provisions in the Companies Act 2014 which require us to report to you if, in our opinion, the disclosures of directors' remuneration and transactions specified by law are not made.

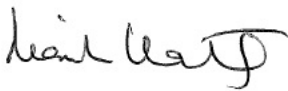
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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
PADDINGTON INVESTMENT IRELAND LIMITED**

Use of our report

This 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.



Niamh Keating
For and on behalf of Deloitte Ireland LLP
Chartered Accountants and Statutory Audit Firm
Deloitte & Touche House, Charlotte Quay, Limerick

16 December 2025

PADDINGTON INVESTMENT IRELAND LIMITED

Profit and Loss Account For the financial year ended 31 January 2025

		2025 EUR	2024 EUR
	Notes		
Dividend & interest income		4,794,488	308,081
Administrative expenses		(66,074)	(41,489)
Impairment expense	6	(88,058,036)	-
(Loss) / profit before taxation	4	(83,329,622)	266,592
Tax on (loss) / profit on ordinary activities	5	(35,587)	(66,648)
(Loss) / profit for the financial year after taxation		(83,365,209)	199,944

The accompanying notes on pages 13 to 21 form an integral part of these financial statements.

The Company has no recognised gains or losses in the financial year other than those included within the Profit and Loss Account. Accordingly, no separate statement of comprehensive income is presented as at 31 January 2025. All items relate to continuing operations.

PADDINGTON INVESTMENT IRELAND LIMITED

Balance Sheet

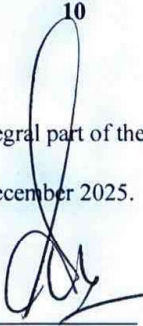
For the financial year ended 31 January 2025

	Notes	2025 EUR	2024 EUR
Assets			
<i>Fixed assets</i>			
Investments	6	5,400,000	70,767,000
Total fixed assets		5,400,000	70,767,000
<i>Current assets</i>			
Cash and cash equivalents	8	13,463	8,692
Other receivables	7	746,589	5,814,242
Total current assets		760,052	5,822,934
Liabilities			
<i>Current liabilities</i>			
Other payables	9	11,764	76,437
Total current liabilities		11,764	76,437
Net current assets		748,288	5,746,497
Net assets		6,148,288	76,513,497
Equity			
Ordinary share capital	10	129,090,000	116,090,000
Retained earnings		(122,941,712)	(39,576,503)
Total equity		6,148,288	76,513,497

The accompanying notes on pages 13 to 21 form an integral part of these financial statements.

Approved by the board and authorised for issue on 9 December 2025.


Michael Stalley
 Director


Darren Pidwell
 Director

PADDINGTON INVESTMENT IRELAND LIMITED

Statement of Changes in Equity For the financial year ended 31 January 2025

2025	Ordinary Share Capital EUR	Retained Earnings EUR	Total Equity EUR
Opening balance	116,090,000	(39,576,503)	76,513,497
Issue of share capital	13,000,000	-	13,000,000
Loss for the year	-	(83,365,209)	(83,365,209)
Closing balance	129,090,000	(122,941,712)	6,148,288

2024	Ordinary Share Capital EUR	Retained Earnings EUR	Total Equity EUR
Opening balance	116,090,000	(39,776,447)	76,313,553
Profit for the year	-	199,944	199,944
Closing balance	116,090,000	(39,576,503)	76,513,497

The accompanying notes on pages 13 to 21 form an integral part of these financial statements.

PADDINGTON INVESTMENT IRELAND LIMITED

Notes to the financial statements for the financial year ended 31 January 2025

1. General information

Paddington Investment Ireland Limited (the “Company”) is a limited liability company incorporated on 10 December 2014 and is domiciled in the Republic of Ireland. The principal activity of the Company is that of a holding company within the Kingfisher plc group (the “Group”). Please refer to page 2 for the registered address of the Company. Registered number: 554101

2. Basis of preparation

(a) Statement of compliance

The financial statements are prepared in accordance with the Companies Act 2014 and FRS 101 ‘Reduced Disclosure Framework’ issued by the Financial Reporting Council for financial years beginning on or after 1 January 2015. Because of the nature of the Company’s business and the type of transactions the Company is engaged in, the directors have adapted the Profit and Loss Account to suit the circumstances of the business in accordance with the Companies Act 2014. The financial statements are made up to 31 January.

(b) Accounting convention

The financial statements have been prepared on the going concern and a historical cost basis.

(c) Functional and presentation currency

These financial statements are presented in Euro (EUR) which is the Company’s functional currency. Functional currency is the currency of the primary economic environment in which the entity operates. The issued share capital of the Company is denominated in EUR and the amounts due from group undertakings to the Company are denominated in EUR. The Directors of the Company believe that EUR most faithfully represents the economic effects of the underlying transactions, events and conditions.

(d) Going concern

As at 31 January 2025, the current assets of the Company exceed its current liabilities by EUR748,288 (2024: EUR5,746,497).

The Directors, in combination with the Directors of Kingfisher plc, have analysed the Company’s liquidity position and cash flow projections for at least 12 months from the date on which these financial statements are approved. The Directors therefore have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future and they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

(e) Exemptions availed of under FRS 101

The Company is a qualifying entity for the purposes of FRS 101 and has applied the requirements of IFRS 1.6-33 and related appendices. The Company’s ultimate parent company is Kingfisher plc and its consolidated financial statements can be obtained from Company Secretary, 1 Paddington Square, London, W2 1GG. As a qualifying entity the Company has availed of a number of exemptions from the disclosure requirements of FRS 101 in the preparation of the entity financial statements. The Company has notified its shareholders in writing about, and they do not object to, the disclosure exemptions availed of by the Company in the entity financial statements.

PADDINGTON INVESTMENT IRELAND LIMITED

Notes to the financial statements for the financial year ended 31 January 2025 (continued)

2. Basis of preparation (continued)

(e) Exemptions availed of under FRS 101 (continued)

In accordance with FRS 101 the Company has availed of disclosure exemptions in relation to the following and where required, equivalent disclosures are given in the consolidated financial statements of the Parent:

- standards not yet effective;
- related party transactions;
- presentation of a statement of cash flows;
- capital risk management
- impairment of assets; and
- financial instruments.

These financial statements are separate financial statements. The company is exempt from the preparation of consolidated financial statements, because it is included in the group accounts of Kingfisher plc.

3. Significant accounting policies

(a) Investments

Investments in subsidiaries and associated undertakings are recorded at cost. The Company assesses investments for impairment whenever events or changes in circumstances indicate that the carrying value of an investment may not be recoverable. If any such indication of impairment exists, the Company makes an estimate of its recoverable amount. Where the carrying amount of an investment exceeds its recoverable amount, the investment is considered impaired and is written down to its recoverable amount.

(b) Income

Income is recognised in the Profit and Loss Account on an accruals basis

(c) Expenses

Expenses are recognised in the Profit and Loss Account on an accruals basis.

(d) Cash and cash equivalents

Cash and cash equivalents comprise amounts due from banks and other short-term investments that are convertible into cash with an insignificant risk of changes in value and with original maturities of less than 90 days.

(e) Other payables

Other payables are stated at their nominal value.

(f) Taxation

The income tax expense represents the sum of tax currently payable and deferred tax. Current tax is provided at amounts expected to be paid using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date. The tax calculation is based on the taxable profit for the financial year. Taxable profit differs from profit before taxation as reported in the profit and loss account because it excludes items of income or expense which are taxable or deductible in other financial years or which are never taxable or deductible. The Company incurred a loss in the financial year and therefore there is no tax payable.

Deferred tax is provided on timing differences which arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements. Deferred tax is not recognised on permanent differences arising because certain types of income or expense are non-taxable or are disallowable for tax or because certain tax charges or allowances are greater or smaller than the corresponding income or expense.

PADDINGTON INVESTMENT IRELAND LIMITED

Notes to the financial statements for the financial year ended 31 January 2025 (continued)

3. Significant accounting policies (continued)

The tax expense represents the sum of current and deferred income tax expense.

Current Tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

A provision is recognised for those matters for which the tax determination is uncertain but is considered probable that there will be a future outflow of funds to a tax authority. The provisions are measured at the best estimate of the amount expected to become payable. The assessment is based on the judgement of tax professionals with the Company supported by previous experience in respect of such activities and in certain cases based on specialist independent tax advice.

Deferred Tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised based on tax laws and rates that have been enacted or substantively enacted at the balance sheet date.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

Current tax and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

(g) Critical accounting judgements and key sources of estimation uncertainty

The preparation of the financial statements under FRS101 requires the Company to make estimates and assumptions that affect the application of policies and reported amounts. 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. Actual results may differ from these estimates. The estimates, judgements and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year are discussed below. There are no critical judgements faced by the Company.

PADDINGTON INVESTMENT IRELAND LIMITED

Notes to the financial statements for the financial year ended 31 January 2025 (continued)

Source of estimation uncertainty

Impairment of investments

As required, the Company applies procedures to ensure that its assets are carried at no more than their recoverable amount. The procedures, by their nature, require estimates and assumptions to be made. The most significant are set out below.

At each reporting date, the Company is required to assess whether there is objective evidence that its investments in subsidiaries may be impaired. This requires estimates of the investments' recoverable amounts, including present values of the Company's share of future cash flows.

During the year an impairment loss of EUR88,058,036 has been recognised (2024: EURnil). Please refer to Note 6 for further details.

(h) New accounting pronouncements and amended standards adopted

In preparing the financial statements, the Company has adopted the following standards, interpretations and amendments which have been issued by the International Accounting Standards Board ('IASB') and have been adopted for use by the EU.

There are no new standards, interpretations, or amendments to accounting standards that are effective for the year ended 31 January 2025 that have a material impact on the Company's financial statements.

(i) Financial instruments

The financial instruments held by the Company include the following:

- Amounts receivable from group companies – held at amortised cost
- Cash and cash equivalents – held at amortised cost

Under IFRS 9 the classification of financial assets is driven by cash flow characteristics and the business model for managing the asset. Classification determines how financial assets are accounted for in the financial statements and, in particular, how they are measured on an ongoing basis.

IFRS 9 also introduces one impairment model i.e. expected losses model. Specifically, entities are required to account for expected credit losses from when financial instruments are first recognised.

All financial instruments are initially recognised at fair value. All financial instruments are recognised on the trade or agreement date, which is the date on which the Company becomes a party to the contractual provisions of the instrument.

All recognised financial assets that are within the scope of IFRS 9 are required to be subsequently measured at amortised cost or fair value on the basis of the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.

The classification and measurement for financial assets are detailed below:

- debt instruments that are held within a business model with the objective to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest ("SPPI") on the principal amount outstanding are subsequently measured at amortised cost;

PADDINGTON INVESTMENT IRELAND LIMITED

Notes to the financial statements for the financial year ended 31 January 2025 (continued)

- debt instruments that are held within a business model with the objective of both to collect the contractual cash flows and to sell the debt instruments, and that have contractual cash flows that are SPPI are subsequently measured at fair value through other comprehensive income (“FVTOCI”);
- all other debt instruments (e.g. debt instruments managed on a fair value basis, or held for sale) and equity investments are subsequently measured at fair value through profit and loss (“FVTPL”).

The Company may irrevocably designate a debt instrument that meets the amortised cost or FVTOCI criteria as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch (referred to as the fair value option). No such designations were made in the financial year.

Financial assets at amortised cost

Financial assets are measured at amortised cost only if both the following criteria are met: the objective of the company’s business model is to hold the asset to collect the contractual cash flows; and the contractual terms give rise on specified dates to cash flows that are SPPI on the principal outstanding, interest being consideration for the time value of money, credit risk, other basic lending risks and a profit margin that is consistent with a basic lending arrangement. Financial assets meeting these criteria are measured initially at fair value. As the financial assets of the Company met the above criteria, they have been valued at amortised cost.

The Company does not have financial assets classified as at fair value through profit or loss or other comprehensive income.

Impairment of financial assets

In line with IFRS 9 the Company is required to determine the impairment of financial assets on an 'Expected Credit Loss' ("ECL") basis. Financial assets that are classified as FVTPL do not need to be assessed for impairment as they are already recorded at fair value which reflects credit risk at the measurement date. The Company is required to calculate an ECL provision which represents an un-biased (i.e. neutral, not optimistic or pessimistic) probability weighted estimate of the present value of cash shortfalls which is determined by evaluating a range of possible outcomes. Cash shortfalls are the difference between the cash flows that are due to the Company in accordance with the contractual terms of the financial asset and the cash flows that the Company expects to receive. The measurement of the loss allowance is based on the present value of the asset’s expected cash flows using the asset’s original EIR.

ECLs are required to be measured through a loss allowance at an amount equal to:

- 12-month ECL i.e. lifetime ECL that results from default events on the financial instrument that are possible within 12 months after the reporting date (Stage 1); or
- Full lifetime ECL i.e. lifetime ECL that results from all possible default events over the life of the financial instrument (referred to as Stage 2 and Stage 3).
- A loss allowance for full lifetime ECL is required for a financial instrument if the credit risk on that financial instrument has increased significantly since initial recognition. For all other financial instruments, ECLs are measured at an amount equal to the 12-month ECL

Critical to the determination of ECL is the definition of default. The definition of default is used in measuring the amount of ECL and in the determination of whether the loss allowance is based on 12-month or lifetime ECL, as default is a component of the probability of default (“PD”) which affects both the measurement of ECLs and the identification of a significant increase in credit risk.

PADDINGTON INVESTMENT IRELAND LIMITED

Notes to the financial statements for the financial year ended 31 January 2025 (continued)

The Company considers the following as constituting an event of default:

- The borrower is past due more than 90 days on any material credit obligation, or
- The borrower is unlikely to pay its credit obligations in full.

The Company monitors all financial assets that are subject to the IFRS 9 impairment requirements to assess whether there has been a significant increase in credit risk since initial recognition. If there has been a significant increase in credit risk the Company will measure the loss allowance based on lifetime rather than 12-month ECL.

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Company compares the risk of a default occurring on the financial instrument at the reporting date based on the remaining maturity of the instrument with the risk of a default occurring that was anticipated for the remaining maturity at the current reporting date when the financial instrument was first recognised. In making this assessment, the Company considers that when an asset becomes 30 days past due, the Company considers that a significant increase in credit risk has occurred and the asset is in stage 2 of the impairment model, i.e. the loss allowance is measured as the lifetime ECL.

The Company measures ECL on an individual basis. Loss allowances for ECL which are material are presented in the balance sheet as a deduction from the gross carrying amount of the assets.

No such losses have been recorded in the financial year as the amounts due from Group undertakings are unsecured, interest bearing, have no fixed date of repayments and are repayable on demand. Refer to note 6 for further details.

4. (Loss) / profit before taxation

The (loss) / profit before taxation is stated after charging:

	2025 EUR	2024 EUR
Wages and salaries	44,433	14,373
Other costs	21,641	27,116
Impairment expense	88,058,036	-

Michael Stalley was remunerated for his role. No other Directors were remunerated.

Directors' remuneration for the year is EUR40,000 (2024 EUR10,000).

The Company had one employee during the financial year (2024:1).

Audit fees are paid by Kingfisher plc on the Company's behalf and not recharged. There were no non-audit fees incurred in either the current or prior year.

The Company has assessed the recoverability of its investments at the financial year-end and have recognised an impairment expense of EUR88,058,036 (2024: EURnil).

PADDINGTON INVESTMENT IRELAND LIMITED

Notes to the financial statements for the financial year ended 31 January 2025 (continued)

5. Tax on (loss) / profit on ordinary activities

	2025 EUR	2024 EUR
Factors affecting the tax charge for the financial year:		
(Loss)/profit before tax	(83,329,622)	266,592
(Loss)/profit multiplied by the standard rate of Irish corporation tax for the financial year of 25% for passive income	(20,832,406)	66,648
<i>Effect of:</i>		
Item not taxable	22,014,509	-
-Credit under schedule 24 of the Taxes Consolidation Acts 1997	(1,146,516)	-
Current tax charge for the financial year	35,587	66,648

Irish corporation tax has been calculated based on results for the financial year at a rate of 25%.

6. Investments

	Koctas Yapi Marketleri Ticaret A.S. EUR	KSO Istanbul Sourcing ev Gelistirme Urunleri ve Hizmetleri Limited Sirketi EUR	Total EUR
At 1 February 2024	65,367,000	5,400,000	70,767,000
Additions	22,691,036	-	22,691,036
At 31 January 2025	88,058,036	5,400,000	93,458,036
Provisions for Impairment			
At 1 February 2024	-	-	-
Charge in the year	88,058,036	-	88,058,036
At 31 January 2025	88,058,036	-	88,058,036
Carrying amount			
At 31 January 2025	-	5,400,000	5,400,000
At 1 February 2024	65,367,000	5,400,000	70,367,000

A. Koctas Yapi Marketleri Ticaret A.S

On 22 December 2014 the Company acquired 146,318 shares of TRL100 each of Koctas Yapi Marketleri Ticaret A.S. for EUR65,367,000.

On 4 October 2024, the Company subscribed for 550,000,000 ordinary shares of TRL 100 each for an additional EUR14.5m in Koctas Yapi Marketleri Ticaret A.S.

PADDINGTON INVESTMENT IRELAND LIMITED

Notes to the financial statements for the financial year ended 31 January 2025 (continued)

On 10 December 2024, the Company subscribed for 300,000,000 ordinary shares of TRL 100 each for an additional EUR8.2m in Koctas Yapi Marketleri Ticaret A.S. The Company maintained its 50% interest in Koctas Yapi Marketleri Ticaret A.S. following these investments.

Koctas Yapi Marketleri Ticaret A.S. is registered in Turkey with its registered office at Tasdelen Mahallesi Sirri Celik Bulvari Oto Koc Blok No:9 Cekmekoy, Istanbul, Turkey. Koctas Yapi Marketleri Ticaret A.S. is a home improvement retailer in Turkey.

The Company has assessed the recoverability of its investments at the financial year-end and have recognised an impairment expense of EUR88,058,036 (2024: EURnil).

During and after the financial year economic conditions in Turkiye remained troubled. A provision was made to write down the cost of the investment in Koctas Yapi Marketleri Ticaret A.S. in full to recognise the poor performance of the investment and that economic conditions are not likely to improve in the near term.

B. KSO Istanbul Sourcing ev Gelistirme Urunleri ve Hizmetleri Limited Sirketi

On 15 December 2023 the Company acquired 10,800 shares of TRL25 each representing 100% of KSO Istanbul Sourcing ev Gelistirme Urunleri ve Hizmetleri Limited Sirketi for EUR5,400,000.

KSO Istanbul Sourcing ev Gelistirme Urunleri ve Hizmetleri Limited Sirketi is registered in Turkey with its registered office at Barbaros Mah. Mor Sumbul Sk. idakule Block No:7/3 Ic Kapi No:127 Atasehir/Istanbul, Turkey. KSO Istanbul Sourcing ev Gelistirme Urunleri ve Hizmetleri Limited Sirketi is a company which sources stock for sale in B&Q retail stores across the United Kingdom and Ireland.

7. Other receivables

	2025	2024
	EUR	EUR
Amounts due from Group companies	715,527	5,814,242
Corporation tax	31,062	-
	<u>746,589</u>	<u>5,814,242</u>

Amounts due from Group companies are unsecured and earn interest based on the GBP:EUR daily rate and is calculated daily. Interest earned on amounts due from Group companies in the current year amounted to EUR208,422 (2024: EUR308,081).

The amounts due from Group companies have no fixed date of repayments and are repayable on demand.

8. Cash and cash equivalents

	2025	2024
	EUR	EUR
Cash at bank	13,463	8,692
	<u>13,463</u>	<u>8,692</u>

9. Other payables

	2025	2024
	EUR	EUR
Accrued expenses	11,764	9,789
Corporation tax payable	-	66,648
	<u>-</u>	<u>66,648</u>

PADDINGTON INVESTMENT IRELAND LIMITED

Notes to the financial statements for the financial year ended 31 January 2025 (continued)

	11,764	76,437
10. Called up share capital presented as equity		
	2025	2024
	EUR	EUR
<i>Authorised</i>		
200,000,000 ordinary shares of €1 each	200,000,000	200,000,000
<i>Allotted, called up and fully paid</i>		
129,090,000 ordinary shares of €1 each	129,090,000	116,090,000

There is a single class of ordinary shares, each of which carries equal voting, dividend and capital repayment rights.

On 4 October 2024, the company issued 5,000,000 ordinary shares of EUR1 each to its parent company.

On 10 December 2024 the company issued 8,000,000 ordinary shares of EUR1 each to its parent company.

11. Parent undertaking and controlling parties

The immediate parent company is Sheldon Holdings Limited, with a registered address of 1 Paddington Square, London, W2 1GG.

The ultimate parent undertaking and controlling party is Kingfisher plc, a company incorporated in the United Kingdom under the Companies Act 2006 and registered in England and Wales. A copy of the Annual Report and Accounts of the ultimate parent company can be obtained (printed or downloaded) from www.kingfisher.com or from The Secretary Kingfisher plc, 1 Paddington Square, London, W2 1GG.

The largest and smallest group into which the Company's financial statements are consolidated is that headed by Kingfisher plc, the Company's ultimate parent company.

12. Related party transactions

The Company is exempt under the terms of Financial Reporting Standard 101 from disclosing related party transactions with entities that are part of the Group or investees of the Group.

The Company entered into a Corporate Administration Agreement with Intertrust Management Ireland Limited ("Intertrust") for the provision of corporate fiduciary and general administration services to the Company.

Intertrust is a related party to the Company, as Catherine Murphy acted as director during the financial year and is an employee of Intertrust. The corporate services fee charged by Intertrust for the financial year ended 31 January 2025 amounted to EUR13,253(2024: EUR18,996).

13. Events after the financial year

There were no events after the financial year which had an impact on the financial results of the Company.

14. Approval of financial statements

The Board of Directors approved and authorised these financial statements on 9 December 2025.