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JD Sports Fashion Plc
17 May 2023

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JD SPORTS FASHION PLC
UNAUDITED PRELIMINARY RESULTS
FOR THE 52 WEEKS ENDED 28 JANUARY 2023

JD Sports Fashion Plc (the 'Group'), the leading global Sports Fashion retailer, today announces its Unaudited Preliminary Results for the 52 weeks ended 28 January 2023 (2022: 52 weeks ended 29 January 2022).

Record result with clear strategy for future growth

	2023 (unaudited) £m	2022 £m
Revenue	**10,125.0**	8,563.0
Gross profit %	**47.8%**	49.1%
Performance Highlights [(a)]		
EBITDA before adjusted items*	**1,696.9**	1,606.8
Depreciation / amortisation	**(636.6)**	(593.1)
Operating profit (before adjusted items)*	**1,060.3**	1,013.7
Net interest expense	**(68.9)**	(66.5)
Profit before tax and adjusted items*	**991.4**	947.2
Adjusted items (see note 3)*	**(550.5)**	(292.5)
Profit before tax	**440.9**	654.7
Net cash at period end [(b)]	**1,469.3**	1,185.9
Statutory Measures		
Operating profit	**509.8**	721.2
Net interest expense	**(68.9)**	(66.5)
Profit before tax	**440.9**	654.7
Basic earnings per ordinary share	**2.76p**	7.17p
Adjusted earnings per ordinary share*	**13.39p**	12.84p
Total dividend payable per ordinary share	**0.80p**	0.35p

a) *Further detail setting out the background to the alternative performance measures and a reconciliation to statutory measures is provided after the Chief Financial Officer's Statement. In addition, throughout this release '*' indicates the use of other alternative performance measures which are also explained after the Chief Financial Officer's Statement and are reconciled to the statutory measures*
b) *Net cash consists of cash and cash equivalents less interest-bearing loans and borrowings*

Andrew Higginson, Chair, said:

"In July 2022 I had the great privilege of being appointed the Chair of the JD Group. This followed the departure of Peter Cowgill who had led the business so successfully for the previous 18 years. I found a business that had a strong leadership team, committed staff and a supportive majority shareholder in Pentland. The business was in tune with its customers, respected by its branded suppliers, was trading strongly and had a significant number of opportunities for growth ahead of it.

"This has been another period of excellent progress for the Group with a profit before tax and adjusted items* for the 52 week period ended 28 January 2023 of £991.4 million (52 week period ended 29 January 2022: £947.2 million). This is a record result for the Group and I must pay tribute to the skills, resilience and positive attitude of the colleagues in our businesses who have not let the leadership changes distract from their focus on the consumer and our offer. The total charge for the adjusted items* was £550.5 million (2022: £292.5 million) which principally relates to a non-cash movement in the present value of future put and call options held with minority shareholders in certain subsidiary businesses, impairments of intangible assets on acquisitions in prior periods and losses incurred in divesting our non-core branded fashion businesses. Consequently, the profit before tax was £440.9 million (2022: £654.7 million).

"The progress that the Group is making in its global markets is reflected by the fact that organic sales at constant exchange rates* were 12% ahead of the prior period with a significant strengthening in trade through the second half of the period, particularly in North America, as the supply of product from a number of the international brands normalised. We are pleased with the positive progress that we are making in North America and it is our intention to accelerate the rollout of JD in this important market as we believe it will deliver long term sustainable benefits.

"JD continues to be the partner of choice for many international brands who see our premium fascias as the natural global home for their latest ranges and freshest new styles. The announcement in September 2022 that JD was Nike's first European retail partner for its connected partnership, designed to enhance the shopping experience of customers through access to an additional range of Nike member-exclusive products and experiences, is proof that our relationship with these brands and our access to product is stronger than ever.

"The Group is reassured with trading to date in the new financial period with growth in organic sales at constant exchange rates* of more than 15% after 13 weeks. This performance is further evidence that consumers worldwide are more attracted than ever to JD's differentiated proposition with its attention-grabbing in-store experience, breadth in the range of brands and availability of key styles.

"Whilst we are encouraged by the resilient nature of the consumer demand in the current period to date, we remain conscious of the headwinds that prevail at this time including the general global macro-economic and geopolitical situation. Against this backdrop, assuming current exchange rates, we expect that the Group's headline profit before tax and adjusted items* for the 53 week period ending 3 February 2024 will be in line with the current average consensus expectations of £1.03 billion."

Group Highlights

- Régis Schultz joined the Group as Chief Executive Officer with a vision for a new and distinct chapter in the growth story of JD presented to both the market and colleagues in February 2023. Key objectives for the next five years include:
    - Double digit revenue growth on average per annum
    - Double digit market share in key regions
    - Double digit operating margin
    - Cash generation from operating activities of £1 billion per annum with the priority for cash being reinvestment in growth including increased capital expenditure of £500 million to £600 million per annum with 50% to 60% of annual spend focused on store expansion in underpenetrated markets with 250 to 350 new JD stores per annum

- Record result for the 52 week period ended 28 January 2023 with profit before tax and adjusted items* of £991.4 million (52 week period ended 29 January 2022: £947.2 million) with the global premium Sports Fashion retail fascias delivering a combined profit before tax and adjusted items* of £827.6 million (2022: £774.4 million)

- Profit before tax of £440.9 million (2022: £654.7 million) includes a total charge for adjusted items* of £550.5 million (2022: £292.5 million) which principally relates to a non-cash movement in the present value of future put and call options held with minority shareholders in certain subsidiary businesses and losses incurred in divesting our non-core branded fashion businesses

- Organic sales at constant exchange rates* 12% ahead of the prior period with a significant strengthening in trade through the second half of the period, particularly in North America, as the supply of product from a number of the international brands normalised

- International development of JD continues to progress positively:
    - 138 stores now trading as JD in North America with the new stores in the period including a flagship store in Chicago
    - 58 net new JD stores opened across Europe including first stores in Hungary, Lithuania and Greece
    - Seven JD stores in Indonesia and six JD stores in Israel opened under Joint Venture arrangements in the period meaning that the core JD fascia now has a retail presence in 28 countries with the rollout of JD to be accelerated in line with the "JD Brand First" strategy

- Board and governance strengthened with the appointment of additional Non-Executive Directors and the creation of a new Disclosure Committee

- Net cash balance at the end of the period, being the peak of the cash cycle, of £1,469.3 million (2022: £1,185.9 million) to power the ongoing development opportunities

- An enhanced final dividend of 0.67p (2022: 0.35p) bringing the total dividend payable for the period to 0.80p (2022: 0.35p) per ordinary share which returns the dividend cover*, when measured relative to the adjusted earnings per ordinary share*, to the levels paid in the period prior to the COVID-19 pandemic (2019: 0.34p - restated)

- The Group continues to make excellent progress on its environmental and sustainable sourcing work programmes with external recognition of this from the award of an A- grade by the CDP for both Climate Change and Water Security and the classification of the Group as 'low risk' by Sustainalytics, one of the world's leading independent ESG research and analytics businesses
- Key financial information of the two business segments is tabulated below:

52 week period to 28 January 2023 (unaudited)

	Sports Fashion £m	Outdoor £m	Unallocated £m	Total £m
Revenue	9,560.6	564.4	-	10,125.0
Gross profit %	48.1%	42.2%	-	47.8%
Performance Highlights				
Operating profit before adjusted items*	1,043.5	16.8	-	1,060.3
Net interest expense[1]	(66.1)	(2.8)	-	(68.9)
Profit before tax and adjusted items*	**977.4**	**14.0**	**-**	**991.4**
Adjusted items*	(510.7)	(39.8)	-	(550.5)
Profit / (loss) before tax	466.7	(25.8)	-	440.9
Statutory Measures				
Operating profit / (loss)	532.8	(23.0)	-	509.8
Net interest expense[1]	(66.1)	(2.8)	-	(68.9)
Profit / (loss) before tax	466.7	(25.8)	-	440.9

[1] *The Group considers that certain net funding costs are cross-divisional in nature and cannot be allocated between the segments on a meaningful basis.*

52 week period to 29 January 2022

	Sports Fashion £m	Outdoor £m	Unallocated £m	Total £m
Revenue	8,049.6	513.4	-	8,563.0
Gross profit %	49.5%	43.9%	-	49.1%
Performance Highlights				
Operating profit before adjusted items*	985.5	28.2	-	1,013.7
Net interest expense[1]	(57.2)	(2.3)	(7.0)	(66.5)
Profit / (loss) before tax and adjusted items*	**928.3**	**25.9**	**(7.0)**	**947.2**
Adjusted items*	(292.5)	-	-	(292.5)
Profit / (loss) before tax	635.8	25.9	(7.0)	654.7
Statutory Measures				
Operating profit	693.0	28.2	-	721.2
Net interest expense[1]	(57.2)	(2.3)	(7.0)	(66.5)
Profit / (loss) before tax	635.8	25.9	(7.0)	654.7

[1] *The Group considers that certain net funding costs are cross-divisional in nature and cannot be allocated between the segments on a meaningful basis.*

Enquiries:

JD Sports Fashion Plc Tel: 0161 767 1000
Andrew Higginson, Non-Executive Chair
Régis Schultz, Chief Executive Officer
Neil Greenhalgh, Chief Financial Officer
Alison Lees, Director of Investor Relations & Treasury

Investec Bank Plc Tel: 0207 597 5970
David Flin

Peel Hunt LLP Tel: 0207 418 8869
Dan Webster

FGS Global Tel: 0207 251 3801
Rollo Head
Jenny Davey
James Thompson

Chair's Statement

Introduction

In July 2022 I had the great privilege of being appointed the Chair of the JD Group. This followed the departure of Peter Cowgill who had led the business so successfully for the previous 18 years. I found a business that had a strong leadership team, committed staff and a supportive majority shareholder in Pentland. The business was in tune with its customers, respected by its branded suppliers, was trading strongly and had a significant number of opportunities for growth ahead of it. Before going any further, it is important to thank Peter and his team for developing such a great business.

The challenges that the business faced were also clear. There was a significant "governance deficit" in a listed business of JD's size. Starting with the combination of Chair and CEO roles, the business had not raised standards of Governance to the expected norms of a FTSE 100 business. The Non-Executive Directors, whilst bringing much relevant experience, had a lack of Plc experience.

In many ways, the business, which is highly profitable and with significant net cash, was well controlled and conservatively managed. However, it relied too heavily on a few key individuals and on informal controls which were more appropriate for a smaller business. The sort of formal Board oversight and detailed scrutiny that would be normal in a business of this scale were not always present.

When I joined the business, work had already begun on reforming and improving the Governance framework. Helen Ashton, in her role as Chair of the Audit and Risk Committee, deserves our particular thanks; as does Kath Smith, Senior Independent Director, who stepped in as acting CEO for a crucial four month period after Peter's departure. We have made further strong progress on Governance this year, against the additional challenge of a mandatory rotation of auditors, although there is still plenty to do to embed a change of culture around the new controls framework.

The success of the business had afforded many opportunities to grow. However, the strategy outside of the JD Brand had become a little opaque and was in need of some clarification.

In September 2022, the arrival of our new CEO, Régis Schultz led to a reappraisal of this strategy and a narrowing of the business focus. We have subsequently disposed of a number of Fashion businesses and are concentrating our resources on fewer initiatives. There has also been a simplification in the organisation of the business with the number of direct reports into the CEO reduced from over 30.

We are now starting the next, and distinct chapter in the growth story of JD. The business is in fine health, with a brand and proposition that is clearly loved by consumers, and with the financial resources to deliver further expansion in underpenetrated and strategically important markets.

JD continues to be the partner of choice for many international brands who see our premium fascias as the natural global home for their latest ranges and freshest new styles. The announcement in September 2022 that JD was Nike's first European retail partner for its connected partnership, designed to enhance the shopping experience of customers through access to an additional range of Nike member-exclusive products and experiences, is proof that our relationship with these brands and our access to product is stronger than ever. The ambitious growth plans that we announced in our Capital Markets Event on 2 February 2023 are underpinned by the availability of additional product from these brands.

JD's success over a number of years has come from a relentless focus on ensuring that, at all times, our fascias deliver a compelling and differentiated proposition to the consumer with an attention-grabbing theatre both in stores and online and a product and brand mix that is emotionally engaging, exclusive and continually evolving.

The challenge for the Board is to deliver a step change in the governance framework and culture within the business, whilst allowing the entrepreneurial flair to flourish. In doing so, JD will have the right foundations from which to progress and support our new CEO and his Executive team.

Financial Summary

This has been another period of excellent progress for the Group with a profit before tax and adjusted items* for the 52 week period ended 28 January 2023 of £991.4 million (52 week period ended 29 January 2022: £947.2 million). This is a record result for the Group and I must pay tribute to the skills, resilience and positive attitude of the colleagues in our businesses who have not let the leadership changes distract from their focus on the consumer and our offer. The total charge for the adjusted items* was £550.5 million (2022: £292.5 million) which principally relates to a non-cash movement in the present value of future put and call options held by minority shareholders in certain subsidiary businesses, impairments of intangible assets on acquisitions in prior periods and losses incurred in divesting our non-core branded fashion businesses. Consequently, the profit before tax was £440.9 million (2022: £654.7 million).

The progress that the Group is making in its global markets is reflected by the fact that organic sales at constant exchange rates* were 12% ahead of the prior period with a significant strengthening in trade through the second half of the period, particularly in North America, as the supply of product from a number of the international brands normalised. We are pleased with the positive progress that we are making in North America and it is our intention to accelerate the rollout of JD in this important market as we believe it will deliver long term sustainable benefits.

Board Developments

<u>Recruitment of New CEO</u>

We were delighted to welcome Régis Schultz to the Group in September 2022 as Chief Executive Officer. We firmly believe that Régis has the right characteristics and experience to lead the Group through the next phase of its journey. In particular, we believe that his expertise of global retailing, including in Asia and the Middle East, combined with his ability to drive transformational change through an omnichannel approach to retail, perfectly complement the existing skills both in the Board and the wider Senior Leadership team.

Since joining the Group, Régis has spent time with the local teams in all of our principal markets to enhance his knowledge of the Group's global operations. The knowledge that he gained in this period was key in helping him shape his vision for the continued international development of our brands and the further enhancement of our already market-leading multichannel customer experience. His vision for a new and distinct chapter in the growth story of JD was subsequently presented to both the market and our colleagues in February 2023 with four key themes:

- **JD Brand First**: Our priority is the development of JD and we intend to accelerate the store opening programme in most of our markets including speeding up the conversion of the Finish Line stores to JD in the United States. We will extend our footprint in underpenetrated markets through both organic growth and acquisition with franchising an opportunity in certain new markets. Whilst we will be accelerating the rollout of the JD stores, there will be no compromises to the disciplined process that we follow. All stores will still be subject to rigorous financial assessment prior to leases being committed and the fitting out of those stores to be carried out to our usual high standards.

- **Importance of Complementary Concepts**: JD's proposition is capable of operating at scale in multiple markets. However, it is important to recognise that JD is not necessarily the right banner in all situations. For example, the market in the United States is more segmented between malls and neighbourhoods than Europe and so our neighbourhood community fascias of Shoe Palace and DTLR ensure that the Group has a proposition for all consumers. Further, our elevated Size? and Footpatrol banners are critical in providing valuable market intelligence through seeding new trends and ranges which can then be scaled through JD. We will strengthen the offers in all of our complementary fascias and expand them where appropriate in their markets.

- **Beyond Physical Retail**: JD has expanded both its physical and digital channels successfully in recent years but the two channels are not as integrated as they could be. The technology investments that we are making, including loyalty, will make our proposition more omnichannel and give us a single view of the customer. Further, we firmly believe that JD, as a brand, has a deep relationship of trust with its consumers and that this relationship can be extended into other categories to create a lifestyle ecosystem of relevant products and services. We have already started to do this through the rollout of JD Gyms but we believe that this can be extended to other categories such as gaming and music, potentially through third party partnerships.

- **People, Partners & Communities**: We want to be the best partner for the brands, the best partner for the communities where we operate and provide our colleagues with the best opportunities to develop their individual careers and to support them in achieving their ambitions.

Other Board Updates

During the period, Neil Greenhalgh informed the Board that he wished to step down from his role as Chief Financial Officer, a role he has filled since November 2018. We have identified a permanent successor for this important role with Dominic Platt who is currently the Chief Financial Officer at BGL Group Limited and has formerly held a number of senior finance roles at Darty Plc. Neil will leave the Group later in the summer, and I would like to thank him for the significant part that he has played in the development of the Group over the last 19 years.

Since joining the Board, together with the Nominations Committee, I have taken the opportunity to review the mix of skills and experience on the Board. In this regard, we were pleased to announce the appointment of Ian Dyson, currently Chair of Currys Plc who joined the Board on 9 March 2023. In addition, Angela Luger, formerly CEO of N Brown Group Plc and Darren Shapland, currently Chair of Topps Tiles Plc will join the Board as of 1 June 2023. All of our new Non-Executive Directors have a strong track record across consumer facing industries and bring much needed Plc experience.

Elsewhere, Suzi Williams, who joined the Board on 16 May 2022, has taken up the role of Remuneration Committee Chair and Helen Ashton has been appointed Chair of our newly formed Disclosure Committee whilst I have been appointed as Chair of the Nominations Committee.

Finally, I am pleased that we were able to reach an amicable and constructive way forward with Peter Cowgill as he has an unparalleled knowledge, built over 18 years, which we did not want to lose. The arrangement that we have agreed includes a binding set of new and enhanced restrictive covenants for a two-year period to September 2024 and a consultancy agreement for a three-year period to September 2025.

Buy or Sell Notice re Iberian Sports Retail Group, S.L. ('ISRG')

Following the receipt of a formal buy / sell notice from Balaiko Firaja Invest, S.L. and Sonae Holdings, S.A. (together the 'Minority Parties'), who collectively hold 49.98% of Iberian Sports Retail Group, S.L. ('ISRG'), the Group is now engaged in formal discussions with the Minority Parties with regards to the future ownership structure of ISRG, including its shareholding in the JD businesses across Iberia. There are three possible outcomes from this process although it is expected to be later in the summer before there is clarity as to which outcome will be progressed by the parties:

- The Group acquires the 49.98% holding in ISRG currently held by the Minority Parties.
- The Minority Parties acquire the Group's 50.02% holding in ISRG and the Group simultaneously acquires the Minority Parties interest in JD across Iberia. This would result in the divestment of the Sprinter, Sport Zone, Deporvillage and Bodytone businesses in Iberia together with the Sprinter, Aktiesport and Perry Sport businesses in the Netherlands.
- No change to existing shareholdings.

Governance and Assurance

Governance Update

As previously advised, a number of issues were identified in the prior period around the Group's compliance with both its regulatory obligations and the UK Corporate Governance Code. The Board subsequently undertook a Control, Risk and Compliance Target Operating Model review, the outcome of which was a programme of works to deliver greater formalisation in governance systems, risk management recording, the documentation and appraisal of internal controls and the mechanisms for reporting relevant matters to the regulatory authorities.

Working with external advisors, the Group continues to make good progress on this programme and the Board reaffirms its commitment to making the necessary resource available, internal and external, to deliver this programme and ensure that these changes become fully embedded in the day-to-day operations of the Group. In this regard, additional resource has already been engaged in the key areas of Assurance, Risk and Legal. The Board believes that it is on track to deliver the first phase of this programme by early 2024 although there will be continuous evolution through longer term initiatives even after the current initial project is completed.

Update on Cyber Security

Update on Cyber Security

On 30 January 2023, the Group announced that it had been the target of a cyber incident which resulted in the unauthorised access to a system that contained customer data relating to some online orders placed between November 2018 and October 2020. Whilst the affected data was limited, the Group took the necessary immediate steps to investigate and respond to the incident, including working with leading cyber security experts. The Group also engaged with the relevant authorities, including the UK's Information Commissioner's Office ('ICO'), as appropriate.

The ICO have now formally advised that they will not be taking any enforcement action in respect of this incident although they have highlighted several areas where they believe JD needs to demonstrate improvement. The Group is committed to addressing these recommendations at pace. At this stage, no other regulatory body has indicated that it intends to take any enforcement action although the Group is aware that not all of the relevant regulators have concluded their investigations. The Group will continue to co-operate fully with the relevant global regulatory bodies, including the ICO, on all appropriate matters.

This particular incident, whilst limited in extent and quickly contained, has highlighted the need for the Group to enhance its security control over the technology estate. In this regard, the Group has appointed Boston Consulting Group who will work with best-in-class suppliers to design key tactical and strategic solutions for an efficient and better-integrated cyber vendor ecosystem. We are confident that this multi-vendor approach is the best solution to deliver outcomes at pace whilst ensuring value for money. In addition, the Group has now appointed an interim Chief Information Security Officer ('CISO') with the recruitment of both a permanent CISO and a Chief Information Technology Officer ('CITO') ongoing.

Change of Auditor

KPMG LLP has acted as auditor to the Company since its flotation in 1996. They have been in office in a period of tremendous growth and rapid global expansion for the Group and I would like to thank all the staff in the various offices around the world who have worked on the Group's audit over the years. Subject to approval by shareholders at the forthcoming Annual General Meeting, I am pleased to report that Deloitte LLP will take over as auditor to the Group for the results to 3 February 2024. On behalf of the Board, I would like to formally welcome the team from Deloitte to the Group and I look forward to working with them.

Dividends

The Board proposes paying a final dividend of 0.67p (2022: 0.35p) bringing the total dividend payable for the 52 week period ended 28 January 2023 to 0.80p (52 week period ended 29 January 2022: 0.35p) per ordinary share. Whilst this is a significant increase on the prior period, the Board believes that it is appropriate as it returns the dividend cover*, when measured relative to the adjusted earnings per ordinary share*, to the levels paid in the period prior to the COVID-19 pandemic (2019: 0.34p - restated). Subject to shareholder approval at our AGM, the proposed final dividend will be paid on 4 August 2023 to all shareholders on the register at 7 July 2023. As we indicated in our Capital Markets Event, we continue to believe that it is in the longer term interests of all shareholders to prioritise the available funding for our ongoing development opportunities including investing in both stores and infrastructure as well as potential acquisitions.

The adjusted earnings per ordinary share* has increased by 4.3% to 13.39p (2022: 12.84p).

The basic earnings per ordinary share has decreased by 61.5% to 2.76p (2022: 7.17p).

Outlook

The Group is reassured with trading to date in the new financial period with growth in organic sales at constant exchange rates* of more than 15% after 13 weeks. This performance is further evidence that consumers worldwide are more attracted than ever to JD's differentiated proposition with its attention-grabbing in-store experience, breadth in the range of brands and availability of key styles.

Whilst we are encouraged by the resilient nature of the consumer demand in the current period to date, we remain conscious of the headwinds that prevail at this time including the general global macro-economic and geopolitical situation. Against this backdrop, assuming current exchange rates, we expect that the Group's headline profit before tax and adjusted items* for the 53 week period ending 3 February 2024 will be in line with the current average consensus expectations of £1.03 billion.

Our next scheduled update will take place upon the announcement of our Interim Results. We will confirm a date for these results in due course.

Andrew Higginson
Chair

17 May 2023

Chief Executive Officer's Statement

I am very pleased to report that the Group continues to make excellent progress with the Group headline profit before tax and adjusted items* increasing by a further 5% to £991.4 million (2022: £947.2 million). To further increase the Group's profitability when the first half was impacted by the well-publicised international supply chain challenges, which resulted in the reduced availability of certain key footwear styles, gives me great confidence in both the strength of our market leading sports fashion proposition and the expertise of our colleagues.

Since joining the Group in September 2022, I have undertaken a full strategic review of the Group with the results of this presented at a Capital Markets Event on 2 February 2023. I have described this as a new and distinct chapter in the growth story of JD and, like any new chapter, there will be some changes. I concluded at an early stage that the branded fashion businesses within our Sports Fashion segment, whilst attractive, were not integral to the development of our core sports fashion proposition and so we have subsequently divested a number of businesses in this area. The costs of this exercise together with costs associated with closing our South Korea business, other impairments on prior period acquisitions and movements in the present value of put and call options resulted in adjusted items* for the 52 week period ending 28 January 2023 of £550.5 million (52 week period ending 29 January 2022: £292.5 million). Consequently, the Group profit before tax decreased to £440.9 million (2022: £654.7 million).

The JD fascia has an outstanding reputation with both consumers and our international brand partners and we are convinced that the most significant opportunities lie in the continued international development of this business. I also recognise the importance of having complementary fascias which leverage the JD concept and so, for example, we will also be investing in our seeder concepts of Size? And Footpatrol and looking to strengthen our community fascias of Shoe Palace and DTLR.

Sports Fashion

UK and Republic of Ireland

We are encouraged by another robust performance in the premium Sports Fashion retail fascias in the UK and Republic of Ireland which delivered a profit before tax and adjusted items (excluding IP charges)* of £356.2 million (2022: £386.4 million). It should be recognised that this period's result includes a full annual charge for business rates whereas, in the prior period, business rates were only fully payable from July when the UK Government withdrew its COVID-19 related rates relief support programme. This performance was underpinned by resilient consumer demand with growth in organic sales at constant exchange rates* compared to the prior period of 12% with this revenue growth accelerating through the second half of the period.

The UK and Republic of Ireland is the most mature market for the JD and Size? Fascias with developments such as the new flagship store at the Metrocentre in Newcastle and a relocation at Fosse Park in Leicester, which is one of the biggest out of town retail parks in the UK, demonstrating our ongoing commitment to continue raising standards in the retail of premium sports fashion product ranges. The UK and Republic of Ireland is also the market where the JD and Size? Fascias have the greatest density of stores relative to the population with 444 stores at the period end (2022: 436). We maintain our belief that the store base at its current scale contributes positively to our development as it raises brand awareness, provides consumers with an opportunity to physically see and try the product, and enables us to offer multiple delivery points.

Elsewhere, our non-core branded fashion businesses including Tessuti, Giulio and Mainline Menswear delivered a total profit before tax and adjusted items* of £19.7 million (2022: £33.9 million) which included £7.0 million (2022: £19.6 million) from the businesses which have now been divested (including Footasylum).

Europe

We are also pleased by the recovery that we have seen in our premium Sports Fashion businesses in Europe with our combined businesses delivering a profit before tax and adjusted items (excluding IP charges)* of £92.6 million (2022: £29.2 million). Clearly the stores being open for the full period has been very beneficial in driving an improved performance with growth in organic sales at constant exchange rates* compared to the prior period of 34%.

The performance of JD in Europe is also benefitting from actions that we have taken to enhance our service proposition. This includes investing in local logistics capabilities with the Group expanding its warehouse footprint in Southern Belgium and Northern France. Longer term, the Group has now taken possession of the 620,000 sqft facility in Heerlen with initial fitting out of the site ongoing. Fulfilment to stores from this facility is still expected to commence in the first half of 2024.

We firmly believe in the long-term opportunity for JD in Europe and we remain committed to expanding our physical retail presence in all markets at pace. A net 58 new JD stores opened in the period across the continent which included the conversion of 23 stores which formerly traded as Chausport in France. Working in conjunction with the MIG team, there were 12 new stores in Eastern Europe, including the first JD stores in Hungary and Lithuania. Further, working with the Cosmos team, the Group opened its first JD store in Greece in the period with a second store in Greece and our first store in Cyprus also opened by this team in the new financial period. The JD team in Europe is also managing the joint venture in Israel with six stores opened in the period and one further store opened to date in the new financial period.

Elsewhere, our other fascias, which include our businesses focused on the Sporting Goods market, continue to adapt their businesses as appropriate for their markets with a net 10 new stores for the combined Sprinter and Sport Zone businesses in Iberia and a net nine new Cosmos stores across Greece and Cyprus. The MIG team in Eastern Europe opened their first Sizeer stores in Bosnia, Croatia, Serbia and Slovenia although these were offset by closures of both Sizeer stores and the lower price point 50 Style stores in other markets, particularly Poland. There were also a net 12 closures for the Perry Sport and Aktiesport businesses in the Netherlands. As with our premium Sports Fashion fascias, these businesses benefitted from the stores being open for the full period with the profit before tax and adjusted items* increasing to £60.8 million (2022: £51.3 million).

Recently, I was delighted to announce that we had entered into exclusive negotiations on the potential acquisition of the Courir business in Europe. Based in Paris, this business has 313 stores across six countries in Europe. Courir operates a differentiated proposition to JD with its product mix, brand strategies and store designs directed more towards female consumers. In this regard, it perfectly complements JD and is capable of being rolled out internationally alongside JD. We would anticipate that this acquisition will formally close later in the year after a mandatory consultation process with the Courir works council and an anti-trust review. In addition, we have also been successful in our bid to acquire nine stores in France which are currently trading as Gap. These stores, which will all be converted to JD, will significantly enhance our presence in key city centre locations, particularly in Paris.

North America

This was very much a year of 'two halves' with the performance in the first half, particularly the first quarter, negatively impacted by the well-publicised international supply chain challenges which resulted in the reduced availability of certain key footwear styles. These supply chain challenges were felt most acutely in North America, particularly in the first half, as footwear represents more than 80% of total sales which is the highest proportion of any of our markets. However, we are very encouraged by the fact that trading improved rapidly through the second half as the availability recovered and so, over the full period, there was growth in organic sales at constant exchange rates* compared to the prior period of 5%. North America remains our most significant market in premium Sports Fashion in terms of revenues.

Given the trading challenges in the first half of the period, we are very pleased that profitability has largely been maintained at the prior period levels with our premium Sports Fashion businesses delivering a profit before tax and adjusted items (excluding IP charges)* of £317.1 million (2022: £322.2 million).

The roll-out of the JD fascia continues at pace with 138 stores (2022: 89 stores) trading as JD at the end of the period, which includes 10 stores (2022: two stores) in Canada. There are also two stores (2022: one store) trading as Size? In Canada. The net 41 new stores for JD in the United States in the period included 24 locations where Finish Line previously traded with 15 direct conversions of the same space and a further nine stores relocated to facilitate JD opening in a site which is either more appropriately sized or is in a location which attracts higher levels of footfall. In addition, JD opened its second flagship store in the United States with a store on State Street in Chicago.

Looking ahead, it is our intention to accelerate the roll out of the JD fascia in North America with a target to deliver an additional 500 to 600 JD stores over the next five years. These new stores will come from both new stores and the conversion of the remaining standalone Finish Line stores with 392 stores trading under this banner as at 28 January 2023 (2022: 427 stores).

The Shoe Palace and DTLR businesses also continue to make progress in their markets with seven new Shoe Palace stores and a net two new DTLR stores opened in the period. These fascias continue to perform an important complementary role with their focus on consumers that are more neighbourhood based.

Elsewhere, it remains our intention to retain the Finish Line name as a concession in the Macy's department stores with a product offer which is more focused on families. As with our premium businesses, there were short term trading challenges in the first half of the period but the performance improved through the second half. Ultimately, as with our premium fascias, the profitability was largely maintained with these concessions delivering a profit before tax and adjusted items* of £44.7 million (2022: £45.4 million). Whilst the terms of our contract with Macy's permit us to close a number of concessions each year, our enhanced confidence in this part of the business is reflected by the fact that the number of concession that we operate has been maintained at 289 stores with two openings and two closures.

Asia Pacific

The Group continues to make good progress in the Asia Pacific region with our premium Sports Fashion businesses delivering a profit before tax and adjusted items (excluding IP charges)* of £61.7 million (2022: £36.6 million) with growth in organic sales at constant exchange rates* compared to the prior period of 36%.

The principal reason for the strength of this performance is a continued excellent performance in Australia where we have opened an additional seven stores in the period bringing the total at the end of the period to 47 stores (2022: 40 stores). Our management team in Australia is also responsible for our operations in New Zealand where we have made a very encouraging start with three stores now trading (2022: one store).

Elsewhere, other markets, particularly Malaysia and Thailand have seen a strong recovery with footfall progressively returning to pre COVID-19 levels after three years of trading restrictions. However, we have now decided to exit South Korea as a market with a wind-down of our operations ongoing. This was a difficult decision as we recognise that many people had invested a significant amount of time to try and make JD a success in that market. However, the onset of COVID-19 three years ago and the subsequent loss of tourism into the country had a very detrimental impact on our development and, whilst the challenges of COVID-19 continue to ease, this market was slower to recover than other countries in the region.

Elsewhere, working with our joint venture partner, PT Erajaya Swasembada Tb, there were seven stores trading in Indonesia at the end of the period with one further opening to date in the new financial period.

Gyms

Our consumer surveys tell us that, whilst our consumers love the JD stores and our retail experience, they also love the JD brand itself. The JD Gyms are the first example of how this relationship between the brand and its consumers can be extended beyond physical retail into other relevant categories with our market-leading, premium low-cost gyms proposition providing an environment and motivating atmosphere in which all participants can achieve their fitness goals.

After opening a further net five gyms in the period, the Group had 79 sites in the UK at the end of the period with 75 sites trading as JD and four sites still bannered as X4L, of which one has subsequently closed in the new financial period. We have a strong pipeline of opportunities for our gyms business and would expect to open at least a similar number of new gyms in the UK in the current financial period.

The Group also has a further eight gyms operating under the Gymnation name in the United Arab Emirates. Given the lack of JD physical retail presence in the Middle East then there are no plans currently to convert these gyms to JD and the business will continue to expand in its markets using the Gymnation name.

During the period we broadened our leisure interests with the acquisition of 60% of Total Swimming Holdings Limited and its subsidiaries, which includes Swim!, the first multi-site operator of dedicated children's 'learn to swim' centres in the UK with 10 sites operating at the end of the period. Initial cash consideration of £11.1 million has been paid with additional consideration of up to £4.0 million potentially payable if certain targets and future performance criteria are achieved. As at the date of this report contingent consideration of £2.0 million was considered potentially payable.

Financial Performance

This has been another excellent period for our Sports Fashion businesses with these businesses delivering a profit before tax and adjusted items* of £977.4 million (2022: £928.3 million).

This result was largely driven by the enduring strength of our premium Sports Fashion fascias which delivered an aggregate profit before tax and adjusted items* of £827.6 million (2022: £774.4 million) largely as a consequence of the post pandemic recovery that we saw across our businesses in Europe.

Overall gross margin in Sports Fashion decreased slightly to 48.1% (2022: 49.5%) largely due to the return of some promotional activity in North America as the supply chain normalised together with some short term promotional activity in the Fashion fascias which have now largely been divested.

After recognising aggregate adjusted items* in the period of £510.7 million (2022: £292.5 million) relating to the loss on disposal of the fashion businesses together with costs associated with closing our South Korea business, other impairments on prior period acquisitions and movements in the present value of put and call options, the profit before tax in Sports Fashion was £466.7 million (2022: £635.8 million).

Outdoor

This has been another period of revenue growth in our Outdoor businesses with growth in organic sales at constant exchange rates* compared to the prior period of 4%. It is clear that, whilst international travel has now fully reopened, spending time outdoors remains popular with people appreciating the physical and mental health benefits that it provides. In particular, our businesses saw a strong demand throughout the period for activity-based categories such as fishing, cycling and camping. However, the exceptionally dry and warm weather in the UK through the key Summer period depressed the sale of the higher margin apparel and footwear ranges.

We continue to invest in all of our fascias with the store developments in the period including new Go Outdoors stores in

We continue to invest in all of our fascias with the store developments in the period including new Go Outdoors stores in Bury and Launceston and the relocation of our stores in Swindon, Gateshead and Derby. We have also extended our trial of Go Outdoors on the High Street with the conversion of an additional 13 stores which previously traded as either Blacks or Millets. In addition, we have enhanced Go Outdoors' position as an authoritative nationwide retailer in the key activity-based categories of cycling, fishing and equestrian with two new Wheelbase cycling concessions in the stores at Coventry and Stockton to complement the Fishing Republic concessions which are now in more than 50 stores and the Naylors Equestrian concessions which are now in seven stores.

Financial Performance

Whilst revenues have increased, the activity-based categories that have grown deliver lower gross margins which is reflected in overall gross margins reducing by 1.7% to 42.2% (2022: 43.9%). Consequently, the profit before tax and adjusted items* reduced to £14.0 million (2022: £25.9 million). We are confident that we are still making progress in this sector but we accept that there is still work to do on sharpening the proposition so that it is has greater year round relevance and is less reliant on particular weather events.

There were adjusted items* in the period relating to impairments on prior period acquisitions which totalled £39.8 million (2022: £nil) which means that the loss before tax in Outdoor was £25.8 million (2022: profit before tax of £25.9 million).

Logistics Developments

UK and Republic of Ireland

The proportion of online orders for UK customers that are being fulfilled from the 515,000 sqft facility in Derby continues to increase with this site expected to fulfil the majority of UK online orders by the time of the peak period later in the year. Approximately £65 million has been invested at this site to date, of which £55 million was incurred this financial period, with the full cost of this initial development expected to rise to approximately £70 million by the middle of 2023.

As previously indicated, we expect to have exited the temporary e-fulfilment facility at Sherburn, Leeds, which was operated by Clipper Logistics Plc, by the end of Summer 2023.

Europe

Initial fitting out of the 620,000 sqft facility in Heerlen, South-East Netherlands, has now commenced after the site was formally handed over in March 2023. This was later than originally anticipated and so the capex incurred to the end of January 2023 was only €5 million. At this stage, we would still expect that the total cost over the life of the project to bring the site into full operational use will be approximately €95 million with the shipping of products to stores expected to commence in the first half of 2024 to be followed by the fulfilment of online orders later in that year.

In the meantime, we have expanded our base of smaller facilities in Southern Belgium and Northern France so that we can further increase the amount of product which is fulfilled locally for JD in Western Europe. Currently, more than 60% of deliveries to JD stores and 40% of online orders from JD customers in Western Europe are being fulfilled out of these facilities with the rest processed from the UK.

Elsewhere in Europe, the shipping of product to JD stores in Eastern Europe and Greece is integrated into the infrastructures of MIG and Cosmos respectively. The majority of JD online orders in these markets are also fulfilled locally.

North America

Our businesses continue to make progress on a number of infrastructure projects which will enhance both our collective operational effectiveness and the consumer experience. This includes a project to install automation equipment at Shoe Palace's new 512,000 sqft warehouse facility in Morgan Hill, California. We anticipate that this project will cost approximately $70 million with a planned go live in early 2025.

People

In my relatively short time with the Group I have been able to visit all of our principal locations and I have seen first-hand that we have talent, energy and commitment at every level in our businesses. I know the strength of engagement that we have with our people and it is pleasing that this has been recognised externally with JD voted as the best company for "Ability to Attract, Develop and Retain Top Talent" in the 2022 study of Britain's Most Admired Companies. In the same study, JD was also awarded the overall sector prize for "Retailers - Broadline & Home".

I have now completed a full review of our organisational structure with clear principles of responsibility and well defined spans of control to help lay the foundation for our future success. I have already begun to communicate these changes which include structuring our operations by brand with global business unit Managing Directors. In this regard, I can confirm that Michael Armstrong, formerly the Group Buying Director, has been appointed as the JD Global Managing Director. By definition, the width of the product offer in JD means that Michael will continue to oversee all key brand relationships. We are also supporting our global business units through the creation of centres of excellence which will have specific measurable KPIs that are closely aligned to our business priorities. We will recruit additional resource where it is necessary to help deliver our growth plans.

I am absolutely committed to giving all of our colleagues a quality work experience which is challenging yet rewarding and I look forward to working with all of our teams in writing the next distinct chapter in the growth story of JD.

Régis Schultz
Chief Executive Officer

17 May 2023

Chief Financial Officer's Statement

Financial Performance

Revenue and Gross Margin

This period was the first time since 2019 that all of our businesses have traded free from COVID-19 related restrictions. This was a positive to revenues in many countries, particularly in Europe, although revenues in the United States were depressed in the first half as a result of reduced availability of certain key footwear styles.

Ultimately, total revenue for the Group for the 52 week period ended 28 January 2023 increased to £10,125.0 million (52 week period ended 29 January 2022: £8,563.0 million) with growth in organic sales at constant exchange rates* compared to the prior period of 12%.

Total gross margin for the period has reduced slightly to 47.8% (2022: 49.1%) with the return to normalised stock levels in North America through the second half of the period leading to the return of some promotional activity consistent with expectations. Encouragingly, gross margins are ahead of the levels prior to the pandemic (2020: 47.0%) which is a fair reflection of the underlying progress that the Group has made on managing the overall levels of markdown and promotional activity across our global businesses.

Profit Before Tax

Profit before tax and adjusted items* was 5% higher than the prior period at £991.4 million (2022: £947.2 million). This is a record result for the Group with a particularly strong performance through the second half of the period as the supply of key footwear styles normalised. This represents 9.8% of revenues (2022: 11.1%) which, whilst lower than last year, is more representative of what the Group would expect to deliver in a normalised trading environment free from government fiscal support and other interventions. It is also consistent with the targets that we set out in our recent Capital Markets Event.

As a result of the increase in the adjusted items* to £550.5 million (2022: £292.5 million), the Group profit before tax decreased to £440.9 million (2022: £654.7 million).

We are particularly encouraged with the performance of our premium Sports Fashion fascias in North America where, notwithstanding the trading challenges in the first half of the period, the profitability has largely been maintained at the prior period levels with these businesses delivering a profit before tax and adjusted items (excluding IP charges)* of £317.1 million (2022: £322.2 million). After recognising intergroup recharges for the use of the JD intellectual property of £23.7 million (2022: £24.6 million) and adjusted items* of £303.9 million (2022: £239.7 million), which principally relates to a non-cash movement in the present value of future put and call options held with the minority shareholders of Genesis Topco Inc which is the intermediate holding company for our businesses in the United States, the loss before tax in the premium Sports Fashion fascias in North America was £10.5 million (2022: profit before tax £57.9 million).

We are also particularly encouraged by the post-pandemic recovery of our premium Sports Fashion fascias in Europe which delivered a profit before tax and adjusted items (excluding IP charges)* of £92.6 million (2022: £29.2 million). After recognising intergroup recharges for the use of the JD intellectual property of £51.6 million (2022: £20.6 million) and a credit for adjusted items* of £0.3 million (2022: credit of £1.1 million), the profit before tax in the premium Sports Fashion fascias in Europe was £41.3 million (2022: £9.7 million).

Total operating costs in the period before adjusted items* were £3,812.9 million which represented 37.7% of revenue (2022: £3,221.5 million being 37.6% of revenue) with the increase in costs reflecting the end of the support programmes that various governments put in place to support corporates through the COVID-19 pandemic.

There were adjusted items* in the period of £550.5 million (2022: £292.5 million) relating to the loss incurred on the divestment of our non-core UK fashion businesses, costs associated with closing our South Korea business, movements in the present value of put and call options and other impairments on prior period acquisitions:

	2023 (unaudited) £m	2022 £m
Impairments of intangible assets and investments (1)	137.2	-
Items that are unusual in nature or outside of the normal course of business:		
Movement in present value of put and call options (2)	296.2	292.7
Insurance settlement for DTLR (3)	-	(16.6)
Items as a result of acquisitions, divestments, major business changes or restructuring:		
Divestment and restructuring (4)	129.6	16.4
Deferred consideration release (5)	(12.5)	-
Administrative expenses - adjusted items*	**550.5**	**292.5**

1. The impairment in the current period primarily relates to the impairment of goodwill and fascia name arising on the acquisition of Deporvillage (£24.7 million), Hairburst (£21.6 million), Leisure Lakes (£21.1 million), Wheelbase (£18.7 million), Bodytone (£12.4 million), Missy Empire (£10.2 million), Livestock (£7.1 million), Wellgosh (£1.0 million), Oi Polloi (£0.7 million) and Philip Browne (£0.1 million). In addition there is an impairment charge for the investment in Gym King of £19.6 million.
2. Movement in the present value of the liabilities in respect of put and call options as re-measured at each reporting date (£295.0 million), comprising Genesis Topco Inc charge of £280.8 million (2022: charge of £258.7 million), Iberian Sports Retail Group charge of £19.6 million (2022: charge of £31.6 million), Marketing Investment Group S.A: a charge of £0.5 million (2022: charge of £1.7 million) and a credit of £5.9 million (2022: charge of £0.7 million) in relation to the other put and call options held by non-controlling interests. Also included is a charge of £1.2 million relating to an element of put and call option agreements that have been treated as a long term employee benefit under IAS 19.
3. Insurance settlement proceeds in the prior period related to a pre-acquisition claim for business interruption by DTLR Villa LLC. As the claim was a contingent asset at the date of acquisition, this was not recognised in the assets acquired in the fair value table in Note 5.
4. The divestment and restructuring charge relates to the divestment of UK-based non-core fashion business assets (£106.7 million) and Footasylum (£14.8 million) plus the closure costs associated with JD's announced withdrawal from the South Korean market in the current period (£8.1 million) being business restructuring costs of £2.1 million and a charge of £6.0 million in relation to the impairment of non-current assets. (2022: The impact of the restructuring of Spodis SA in the prior period, including a charge of £5.5 million in relation to the impairment of tangible assets and business restructuring costs of £10.9 million).
5. Acquisition related release of deferred consideration for Leisure Lakes (£10.5 million) and Total Swimming Holdings Limited (£2.0 million).

Cash and Working Capital

The strong performance in the period is reflected in the cash generation with the net cash balance at the end of the period increasing to £1,469.3 million (2022: £1,185.9 million).

Our capacity to generate cash in our retail operations remains as strong as ever. However, the net cash in the period has been impacted by a general restocking of our businesses in North America, as the supply from the international brands normalised after the first quarter, and increased investment in capital expenditure as we expand our geographical footprint further, to enhance the consumer proposition and upgrade our operational infrastructure.

Inventories, net of provisions, across the Group at the end of the period were £1,466.4 million (2022: £989.4 million). Within this, inventories, net of provisions, in our businesses in North America increased to $581.7 million (2022: $262.9 million) as the flow of product reverted to normal levels. Forward cover in the core JD business in the UK / Europe at the end of the period was 10 weeks which was broadly consistent with the prior period (2022: nine weeks) with a continual focus on robust stock management disciplines.

Gross capital expenditure* (excluding disposal costs) increased to £359.3 million (2022: £247.9 million) with the primary focus of our capital expenditure continuing to be our physical retail fascias* where spend in the period was £213.4 million (2022: £124.0 million). The increased investment that the Group is making in its logistics infrastructure is reflected in the fact that spend on capital expenditure on logistics* increased to £80.8 million (2022: £33.5 million). Consistent with the messaging in our recent Capital Markets Event, our growth plans over the next five years will be powered by an increase in the spend on capital expenditure with an annual spend of up to £600 million per annum with 50% to 60% of this investment dedicated to growing our store base in underpenetrated markets.

Earnings per Ordinary Share

The basic earnings per ordinary share decreased to 2.76p (2022: 7.17p) consistent with the reduction in the Group profit before tax.

The adjusted* earnings per ordinary share increased to 13.39p (2022: 12.84p).

Environmental and Sustainable Sourcing Update

The Group continues to make excellent progress with its environmental and sustainable sourcing work programmes. We are pleased that our efforts in this area are receiving the external recognition that we believe they deserve with Sustainalytics, one of the world's leading independent ESG research and analytics businesses, classifying JD as 'low risk' and placing it in the top 5% of a list of more than 500 global retail businesses.

Progress in the period on environmental and sustainable sourcing can be consolidated into three main pillars:

Reducing the Impact of Climate Change

- Endorsement of the Group's strategy for climate-related risk assessment was verified via the award of 'A-' grades in December 2022 by the CDP for both Climate Change and Water Security which are both three grades above our sector average
- The Group achieved its target of 100% renewable energy use for operationally controlled stores* across the UK, Republic of Ireland and Western Europe by the end of the reporting period
- The Group completed a number of projects to further reduce its future carbon emissions:
    - Retrofitted low wattage LED lights across 25 stores and gyms
    - Installed solar panels at three Go Outdoors stores, the Go Outdoors Distribution Centre in Middlewich, UK and the Shoe Palace Distribution Centre in Morgan Hills, California
    - Enhanced the control of the electrical systems at a further 140 sites through the installation of Building Management Systems ('BMS') with the electricity usage at more than 500 sites now monitored and controlled via BMS systems
    - Proof of concept completed on Voltage Optimisation technology
    - Alternative water systems deployed across 62 gyms
    - Additional Electric Vehicle changepoints installed at key office and warehouse locations
- A key supply chain partner transitioned to a 100% renewable energy tariff and installed solar panels at its manufacturing site, reducing the carbon footprint of the famous JD duffle bag

Sustainable Sourcing

- Regular engagement with our largest third-party brands, monitoring their progress to attain global leadership for sustainable product innovation
- 'Better Cotton' usage in our private label business now stands at over 98%
- All private label garment transit bags are now made using post industrial waste making them 100% recycled and 100% recyclable
- Sustainability awareness extended through the #IAMSUSTAINABLE online training courses which are now available in 11 countries across the Group with region specific content and language to maximise relevance and colleague engagement

Circular Economy and Recycling

- Participation in Textiles 2030 has supported the delivery of a multi-fascia collaboration on circular business models and customer awareness initiatives. Our first module, Circularity In Business, involved an extensive working group designing a Take Back Scheme for tents within our Outdoor business where we look to repair and return tents to the original customer for further use. For previously returned stock we inspect and repair these tents and, where possible, make them available as 'pre-loved' resale items in selected stores. We have also successfully inspected and repaired over 600 cycles, which have been resold via two dedicated stores
- For the third successive year we retained our 'Zero Waste to Landfill' accreditation at our Kingsway warehouse. Further, our Group Head Office in Bury, UK, and ISRG Head Office and Logistics Centre in Alicante, Spain have also achieved this accreditation
- Our store and Distribution Centre asset take back programme enabled the recovery and reuse of over 14 tonnes of hangers and 236 tonnes of plastic totes

Store Portfolio (unaudited)

During the period, store numbers have moved as follows:

	Period Start	New Stores	Transfers	Net Disposed	Closures	**Period End**
Premium Sports Fashion						

UK & Republic of Ireland	**436**	16	4	-	(12)	**444**
Europe	**377**	52	23	-	(17)	**435**
Asia Pacific	**79**	15	-	-	(6)	**88**
North America	**931**	52	-	-	(28)	**955**
	1,823	**135**	**27**	**-**	**(63)**	**1,922**
Other Fascias						
UK & Republic of Ireland (1)	**151**	10	(4)	(75)	(12)	**70**
Europe	**889**	66	(23)	-	(82)	**850**
Asia Pacific	**2**	6	-	-	-	**8**
North America	**289**	2	-	-	(2)	**289**
	1,331	**84**	**(27)**	**(75)**	**(96)**	**1,217**
Total Sports Fashion	**3,154**	**219**	**-**	**(75)**	**(159)**	**3,139**
Total Outdoor	**248**	**11**	**-**	**-**	**(8)**	**251**
Total Group	**3,402**	**230**	**-**	**(75)**	**(167)**	**3,390**

1) Net disposed in the period consists of:
  a. Acquisition of one store trading as Philip Browne Menswear on 10 May 2022
  b. Disposal of 62 stores trading as Footasylum on 5 August 2022
  c. Disposal of five stores trading as Base Childrenswear on 16 December 2022
  d. Disposal of five stores trading as Kids Cavern on 16 December 2022
  e. Disposal of three stores trading as Pretty Green on 16 December 2022
  f. Disposal of one store trading as Watch Shop on 16 December 2022

  The 70 stores at the end of the period includes 62 stores which were disposed shortly after the period end on 7 February 2023:
  a. 38 stores trading as Tessuti (incl Xile Clothing)
  b. 16 stores trading as Scotts
  c. Five stores trading as Choice
  d. Two stores trading as Giulio
  e. One store trading as Cricket

In addition, the Group now has 13 JD stores operating under joint venture arrangements with partners in Indonesia and Israel as follows:

	Period Start	New Stores	**Period End**
Indonesia	**-**	7	**7**
Israel	**-**	6	**6**
	-	**13**	**13**

After opening a total of six gyms in the period, the Group had a total of 87 gyms at the end of the period across the UK and United Arab Emirates ('UAE').

	Period Start	New Sites	Transfers	**Period End**
Gyms				
JD (UK)	**63**	5	7	**75**
X4L (UK)	**11**	-	(7)	**4**
Gymnation (UAE)	**7**	1	-	**8**
	81	**6**	**-**	**87**

Further, following the acquisition of Total Swimming Holdings in May 2022, the Group now has 10 Swim! sites in the UK.

Neil Greenhalgh
Chief Financial Officer

17 May 2023

Alternative Performance Measures (terms listed in alphabetical order)

The Directors measure the performance of the Group based on a range of financial measures, including measures not recognised by International Accounting Standards ('IAS') in conformity with the requirements of the Companies Act 2006 and in accordance with UK-adopted International Accounting Standards. These alternative performance measures may not be directly comparable with other companies' alternative performance measures and the Directors do not intend these to be a substitute for, or superior to, IFRS measures. The Directors believe that these alternative performance measures assist in providing additional useful information on the trading performance of the Group. Alternative Performance Measures are also used to enhance the comparability of information between reporting periods, by excluding adjusted items (see below). The Group's operating and reportable segments under IFRS 8 are Sports Fashion and Outdoor, however, more granular information is provided within these Alternative Performance Measures which the Directors believe will further enhance the readers understanding of the Group.

Adjusted Earnings per Share

The calculation of basic earnings per share is detailed in Note 4. Adjusted basic earnings per ordinary share has been based on the profit for the period attributable to equity holders of the parent for each financial period but excluding the post-tax effect of certain adjusted items. A reconciliation between basic earnings per share and adjusted earnings per share is shown below:

	2023 (unaudited)	2022
Basic earnings per share	**2.76p**	7.17p
Adjusted items	**10.67p**	5.66p
Tax relating to adjusted items	**(0.04p)**	0.01p
Adjusted earnings per ordinary share	**13.39p**	12.84p

Adjusted Items

For the financial period ended 28 January 2023, the Group has used the term 'adjusted items' as opposed to 'exceptional items' as used in previous financial periods and the definitions of adjusted items have also been updated. These updates are intended to provide greater clarity over what is classified as an adjusted item and, by being more specific in terms of defining adjusted items, results in the provision of more relevant information with greater comparability between financial periods. This change has only affected the presentation of the items within the Adjusted Items note, the balances in the prior period remain unchanged.

The Group exercises judgement in assessing whether items should be classified as adjusted items. This assessment covers the nature of the item, cause of occurrence and scale of impact of that item on the reported performance. In determining whether an item should be presented as adjusted, the Group considers items which are significant because of either their size or their nature. In order for an item to be presented as adjusted, it should typically meet at least one of the following criteria:

- Impairments of intangible assets and investments recognised on acquisition.
- It is unusual in nature or outside the normal course of business (for example, the movement in the present value of put and call options).
- Items directly incurred as a result of either an acquisition or a divestment, or arising from a major business change or restructuring programme.

The separate reporting of items, which are presented as adjusted items within the relevant category in the Consolidated Income Statement, helps provide an indication of the Group's trading performance. An explanation as to why individual items have been classified as adjusted is given in Note 3.

Dividend Cover

Being the number of times that the full period dividend is covered by the adjusted earnings per ordinary share.

	2023 (unaudited)	2022	2021	2020	2019
Adjusted earnings per ordinary share (pence)	**13.39**	12.84	6.44	6.85	5.69
Full period dividend per share (pence)	**0.80**	0.35	0.29	0.06	0.34
Dividend cover	**16.74**	36.69	22.21	114.17	16.74

Alternative Performance Measures (continued)

EBITDA Before Adjusted Items

Earnings before interest, tax, depreciation, amortisation and adjusted items.

	2023 (unaudited) £m	2022 £m
Profit for the period	**226.7**	459.6
Addback:		
Financial expenses	**77.3**	67.9
Income tax expense	**214.2**	195.1
Depreciation, amortisation and impairment of non-current assets	**636.6**	593.1
Adjusted items (see note 3)	**550.5**	292.5
Deduct:		
Financial income	**(8.4)**	(1.4)
EBITDA before adjusted items	**1,696.9**	1,606.8

Energy Use from Operationally Controlled Stores

Operationally controlled sites are defined as stores for which the Group management team is able to make changes or decisions to energy supply and services without breaching existing contracts or requiring landlord consent.

Gross Capital Expenditure

	2023 (unaudited) £m	2022 £m
Investment in software	**19.9**	14.9
Acquisition of property, plant and equipment	**326.6**	227.3
Acquisition of non-current other assets	**12.8**	5.7
Total gross capital expenditure	**359.3**	247.9

An alternative presentation of this is as follows:

	2023 (unaudited) £m	2022 £m
Investment in physical retail fascias	**213.4**	124.0
Investment in logistics infrastructure	**80.8**	33.5
Investment in technology and other	**65.1**	90.4
Total gross capital expenditure	**359.3**	247.9

Like-for-Like (LFL) sales

The percentage change in the year-on-year sales, removing the impact of new store openings and closures in the current or previous financial period. This metric enables the performance of the retail stores to be measured on a consistent year-on-year basis and is a common term used in the industry.

Net Cash / (Debt)

Net cash / (debt) consists of cash and cash equivalents together with interest-bearing loans and borrowings. This measure is a good indication of the strength of the Group's Balance Sheet position and is widely used by credit rating agencies. A reconciliation of net cash / (debt) is provided on page 32.

Operating Costs Before Adjusted Items

	2023 (unaudited) £m	2022 £m
Selling and distribution expenses	**3,315.6**	2,808.1
Administrative expenses - normal	**497.3**	413.4
Total operating costs before adjusted items	**3,812.9**	3,221.5

Alternative Performance Measures (continued)

Operating Profit Before Adjusted Items

A reconciliation between operating profit and adjusted items can be found in the Consolidated Income Statement.

Organic Revenue Growth at Constant Exchange Rates

One of the key measures of performance is the growth in revenues between reporting periods. Historically, the Group has considered the growth in revenues on a Like for Like basis which removes the impact of new store openings and closures in the current or previous financial period. However, revenues in the 52 week periods to 30 January 2021 and 29 January 2022 were impacted by COVID-19 related trading restrictions, particularly in stores. Consequently, the consideration of revenues on a like for like basis has lacked context and so the Group has, instead, considered the revenue performance on a basis which aggregates stores and websites. Acquisitions and disposals, including the annualisation impact of acquisitions or disposals in the previous period, are excluded to ensure that the growth which is reported reflects the same period of ownership in both reporting periods.

Organic sales growth at constant exchange rates for each operating segment is calculated as follows for the 52 week period ended 28 January 2023 (unaudited):

	Revenue 2022 Actual £m	Revenue 2022 Re-translated (1) £m	Acquisitions, Disposals & Annualisations Actual (2) £m	Organic Growth Actual (3) £m	**Revenue 2023 Actual £m**	*Organic Growth % (4) %*
Sports Fashion (Reportable Segment)						
Premium Retail Fascias						
UK & ROI	2,318.1	2,318.3	-	279.2	**2,597.5**	*+12%*
Europe	1,024.3	1,024.2	10.7	350.9	**1,385.8**	*+34%*
Asia Pacific	300.8	312.7	6.1	112.1	**430.9**	*+36%*
North America	2,341.9	2,624.2	93.4	128.0	**2,845.6**	*+5%*
Other Retail Fascias						
UK & ROI	649.4	649.4	(158.6)	29.6	**520.4**	*+5%*
Europe	916.2	914.0	185.5	80.2	**1,179.7**	*+9%*
Asia Pacific	0.4	0.4	0.4	1.4	**2.2**	*+350%*
North America	249.9	280.1	-	0.6	**280.7**	*+0%*
Non-Retail Businesses	248.6	249.3	46.0	22.5	**317.8**	*+9%*
Total Sports Fashion	8,049.6	8,372.6	183.5	1,004.5	**9,560.6**	*+12%*
Outdoor (Reportable Segment)						
Total Outdoor	513.4	513.4	28.1	22.9	**564.4**	*+4%*
TOTAL GROUP	**8,563.0**	**8,886.0**	**211.6**	**1,027.4**	**10,125.0**	***+12%***

1) Being revenues in the 52 week period to 29 January 2022 re-translated at the average exchange rate in the 52 week period to 28 January 2023
2) Being the net impact of acquisitions and disposals made in the period and the annualisation of acquisitions made in the prior period
3) Being revenue growth for the same period of ownership in both periods
4) Being organic revenue growth in the 52 week period to 28 January 2023 as a % of the revenues for the 52 week period to 29 January 2022 (as re-translated for current period exchange rates)

Alternative Performance Measures (continued)

The comparison table for the 52 week period to 29 January 2022 is presented below:

	Revenue 2021 Actual £m	Revenue 2021 Re-translated (1) £m	Acquisitions, Disposals & Annualisations Actual (2) £m	Organic Growth Actual (3) £m	**Revenue 2022 Actual £m**	*Organic Growth % (4) %*
Sports Fashion (Reportable Segment)						
Premium Retail Fascias						
UK & ROI	1,810.1	1,803.7	-	514.4	**2,318.1**	*+29%*
Europe	792.2	759.7	0.1	264.5	**1,024.3**	*+35%*

Asia Pacific	259.6	255.6	6.1	39.1	**300.8**	*+15%*
North America	1,534.7	1,438.3	736.7	166.9	**2,341.9**	*+12%*
<u>Other Retail Fascias</u>						
UK & ROI	467.6	467.3	104.9	77.2	**649.4**	*+17%*
Europe	544.4	521.8	268.6	125.8	**916.2**	*+24%*
Asia Pacific	-	-	0.4	-	**0.4**	-
North America	235.7	221.0	-	28.9	**249.9**	*+13%*
Non-Retail Businesses	163.7	163.7	12.3	72.6	**248.6**	*+44%*
Total Sports Fashion	5,808.0	5,631.1	1,129.1	1,289.4	**8,049.6**	*+23%*
Outdoor (Reportable Segment)						
Total Outdoor	359.3	359.3	9.1	145.0	**513.4**	*+40%*
TOTAL GROUP	**6,167.3**	**5,990.4**	**1,138.2**	**1,434.4**	**8,563.0**	***+24%***

1) Being revenues in the 52 week period to 30 January 2021 re-translated at the average exchange rate in the 52 week period to 29 January 2022
2) Being the net impact of acquisitions and disposals made in the period and the annualisation of acquisitions made in the prior period
3) Being revenue growth for the same period of ownership in both periods
4) Being organic revenue growth in the 52 week period to 29 January 2022 as a % of the revenues for the 52 week period to 30 January 2021 (as re-translated for current period exchange rates).

<u>Profit Before Tax and Adjusted Items</u>

A reconciliation between profit before tax and profit before tax and adjusted items is as follows:

	2023 (unaudited) £m	2022 £m
Profit before tax	**440.9**	654.7
Adjusted items	**550.5**	292.5
Profit before tax and adjusted items	**991.4**	947.2

Alternative Performance Measures (continued)

The profit before tax and adjusted items for each operating segment is calculated as follows:

52 Weeks to 28 January 2023 (unaudited)

	Profit before tax and adjusted items				
	Excluding IP (1) £m	IP (1) £m	**Total £m**	Adjusted items £m	**Profit before tax £m**
Sports Fashion (Reportable Segment)					
<u>Premium Retail Fascias</u>					
UK & ROI	356.2	83.6	**439.8**	(129.4)	**310.4**
Europe	92.6	(51.6)	**41.0**	0.3	**41.3**
Asia Pacific	61.7	(8.3)	**53.4**	(8.2)	**45.2**
North America	317.1	(23.7)	**293.4**	(303.9)	**(10.5)**
Sub-total Premium Retail Fascias	827.6	-	**827.6**	(441.2)	**386.4**
<u>Other Retail Fascias</u>					
UK & ROI - Continuing	12.7	-	**12.7**	(3.7)	**9.0**
UK & ROI - Divested (2)	7.0	-	**7.0**	(16.2)	**(9.2)**
Europe	60.8	-	**60.8**	(38.7)	**22.1**
Asia Pacific	0.2	-	**0.2**	-	**0.2**
North America	44.7	-	**44.7**	-	**44.7**
Sub-total Other Retail Fascias	125.4	-	**125.4**	(58.6)	**66.8**
Other Businesses	24.4	-	**24.4**	(10.9)	**13.5**
Total Sports Fashion	977.4	-	**977.4**	(510.7)	**466.7**

Outdoor (Reportable Segment)

Total Outdoor	14.0	-	**14.0**	(39.8)	**(25.8)**
Unallocated					
Net Interest Expense	-	-	**-**	-	**-**
	991.4	-	**991.4**	(550.5)	**440.9**

1) Being the intergroup charge for the use of the JD intellectual property which is legally owned by JD Sports Fashion Plc in the UK. This results in net income in the premium Sports Fashion retail fascias in the United Kingdom and Republic of Ireland which is offset by a charge in the international premium Sports Fashion retail fascias. The Group reports the performance of its operating segments excluding the impact of this intergroup charge as this provides an indication of the operating segments' underlying trading performance.
2) Being:
   a. Divested 5 August 2022: Footasylum Limited
   b. Divested 16 December 2022: Base Childrenswear Limited (80% equity interest), Dantra Limited (75% equity interest), PG2019 Limited (100% equity interest), Prevu Studio Limited (100% equity interest), Nicholas Deakins Limited (100% equity interest), Uggbugg Fashion Limited - including its subsidiary Missy Empire Limited (51% equity interest), Clothingsites Holdings Limited - including its subsidiaries Clothingsites.co.uk Limited and Old Brown Bag Clothing Limited (100% equity interest) and WHCO Limited - including its subsidiaries: The Watch Shop Holdings Limited and Watch Shop Logistics Limited (100% equity interest)
   c. Divested 6 February 2023: Rascal Clothing Limited (75% equity interest) following the exercise of a pre-emption right by one of the founders
   d. Divested 7 February 2023: Tessuti Limited (87.5% equity interest) - including its subsidiaries Choice Limited and Giulio Limited, R.D.Scott Limited (100% equity interest) and Catchbest Limited (80% equity interest) to Frasers Group Plc as per the terms of the transaction agreed on 16 December 2022
   e. Divested 2 March 2023: Topgrade Sportswear Holdings Limited (80% equity interest) to Frasers Group Plc as per the terms of the transaction agreed on 16 December 2022

Alternative Performance Measures (continued)

52 Weeks to 29 January 2022

	Profit before tax and adjusted items				
	Excluding IP (1) £m	IP (1) £m	**Total £m**	Adjusted items £m	**Profit before tax £m**
Sports Fashion (Reportable Segment)					
Premium Retail Fascias					
UK & ROI	386.4	50.9	**437.3**	-	**437.3**
Europe	29.2	(20.6)	**8.6**	1.1	**9.7**
Asia Pacific	36.6	(5.7)	**30.9**	-	**30.9**
North America	322.2	(24.6)	**297.6**	(239.7)	**57.9**
Sub-total Premium Retail Fascias	774.4	-	**774.4**	(238.6)	**535.8**
Other Retail Fascias					
UK & ROI - Continuing	14.3	-	**14.3**	0.1	**14.4**
UK & ROI - Divested (2)	19.6	-	**19.6**	(2.6)	**17.0**
Europe	51.3	-	**51.3**	(51.2)	**0.1**
Asia Pacific	-	-	**-**	-	**-**
North America	45.4	-	**45.4**	-	**45.4**
Sub-total Other Retail Fascias	130.6	-	**130.6**	(53.7)	**76.9**
Other Businesses	23.3	-	**23.3**	(0.2)	**23.1**
Total Sports Fashion	928.3	-	**928.3**	(292.5)	**635.8**

Outdoor (Reportable Segment)

Outdoor (Reportable Segment)

Total Outdoor	25.9	-	**25.9**	-	**25.9**
Unallocated					
Net Interest Expense	(7.0)	-	**(7.0)**	-	**(7.0)**
	947.2	-	**947.2**	(292.5)	**654.7**

1) Being the intergroup charge for the use of the JD intellectual property which is legally owned by JD Sports Fashion Plc in the UK. This results in net income in the premium Sports Fashion retail fascias in the United Kingdom and Republic of Ireland which is offset by a charge in the international premium Sports Fashion retail fascias. The Group reports the performance of its operating segments excluding the impact of this intergroup charge as this provides an indication of the operating segments' underlying trading performance.
2) Being:
    a. Divested 5 August 2022: Footasylum Limited
    b. Divested 16 December 2022: Base Childrenswear Limited (80% equity interest), Dantra Limited (75% equity interest), PG2019 Limited (100% equity interest), Prevu Studio Limited (100% equity interest), Nicholas Deakins Limited (100% equity interest), Uggbugg Fashion Limited - including its subsidiary Missy Empire Limited (51% equity interest), Clothingsites Holdings Limited - including its subsidiaries Clothingsites.co.uk Limited and Old Brown Bag Clothing Limited (100% equity interest) and WHCO Limited - including its subsidiaries: The Watch Shop Holdings Limited Watch Shop Logistics Limited (100% equity interest)
    c. Divested 6 February 2023: Rascal Clothing Limited (75% equity interest) following the exercise of a pre-emption right by one of the founders
    d. Divested 7 February 2023: Tessuti Limited (87.5% equity interest) - including its subsidiaries Choice Limited and Giulio Limited, R.D.Scott Limited (100% equity interest) and Catchbest Limited (80% equity interest) to Frasers Group Plc as per the terms of the transaction agreed on 16 December 2022
    e. Divested 2 March 2023: Topgrade Sportswear Holdings Limited (80% equity interest) to Frasers Group Plc as per the terms of the transaction agreed on 16 December 2022

Consolidated Income Statement
For the 52 weeks ended 28 January 2023

	Note	**52 weeks to 28 January 2023 (unaudited) £m**	52 weeks to 29 January 2022 £m
Revenue		**10,125.0**	8,563.0
Cost of sales		**(5,285.3)**	(4,355.0)
Gross profit		**4,839.7**	4,208.0
Selling and distribution expenses		**(3,315.6)**	(2,808.1)
Administrative expenses - normal		**(497.3)**	(413.4)
Administrative expenses - adjusted		**(550.5)**	(292.5)
Other operating income		**33.5**	27.2
Operating profit		**509.8**	721.2
Before adjusted items		**1,060.3**	1,013.7
Adjusted items	3	**(550.5)**	(292.5)
Operating profit		**509.8**	721.2
Financial income		**8.4**	1.4
Financial expenses		**(77.3)**	(67.9)
Profit before tax		**440.9**	654.7
Income tax expense		**(214.2)**	(195.1)
Profit for the period		**226.7**	459.6
Attributable to equity holders of the parent		**142.5**	369.7
Attributable to non-controlling interests		**84.2**	89.9
Basic earnings per ordinary share	4	**2.76p**	7.17p
Diluted earnings per ordinary share	4	**2.76p**	7.17p

Consolidated Statement of Comprehensive Income
For the 52 weeks ended 28 January 2023

	52 weeks to 28 January 2023 (unaudited) £m	52 weeks to 29 January 2022 £m
Profit for the period	**226.7**	459.6
Other comprehensive income:		
Items that may be classified subsequently to the Consolidated Income Statement:		
Exchange differences on translation of foreign operations	**129.9**	(34.9)
Total other comprehensive income for the period	**129.9**	(34.9)
Total comprehensive income and expense for the period (net of income tax)	**356.6**	424.7
Attributable to equity holders of the parent	**238.4**	357.3
Attributable to non-controlling interests	**118.2**	67.4

Consolidated Statement of Financial Position
As at 28 January 2023

	As at 28 January 2023 (unaudited) £m	As at 29 January 2022 £m
Assets		
Intangible assets	**1,459.4**	1,473.6
Property, plant and equipment	**875.6**	688.5
Right-of-use assets	**2,137.0**	2,032.6
Investments in associates and joint ventures	**38.8**	56.2
Other assets	**56.9**	57.0
Loans to associates and joint ventures	**7.6**	-
Forward contract asset	**0.8**	2.5
Deferred tax assets	**12.9**	81.7
Total non-current assets	**4,589.0**	4,392.1
Inventories	**1,466.4**	989.4
Right of return assets	**15.2**	12.5
Trade and other receivables	**248.6**	202.9
Income tax receivables	**-**	0.6
Assets held-for-sale	**123.0**	157.1
Cash and cash equivalents	**1,582.5**	1,314.0
Total current assets	**3,435.7**	2,676.5
Total assets	**8,024.7**	7,068.6
Liabilities		
Interest-bearing loans and borrowings	**(75.2)**	(72.6)
Lease liabilities	**(423.8)**	(379.0)
Trade and other payables	**(1,471.2)**	(1,279.5)
Liabilities directly associated with assets held-for-sale	**(165.6)**	(142.6)
Provisions	**(9.7)**	(13.2)
Income tax liabilities	**(17.5)**	-
Total current liabilities	**(2,163.0)**	(1,886.9)
Interest-bearing loans and borrowings	**(38.0)**	(55.5)
Lease liabilities	**(1,915.4)**	(1,863.9)
Put and call option liabilities	**(1,061.2)**	(764.8)
Other payables	**(102.4)**	(10.6)
Provisions	**(21.1)**	(19.9)
Deferred tax liabilities	**(90.2)**	(127.4)
Total non-current liabilities	**(3,228.3)**	(2,842.1)
Total liabilities	**(5,391.3)**	(4,729.0)
Total assets less total liabilities	**2,633.4**	2,339.6

Consolidated Statement of Financial Position (continued)
As at 28 January 2023

	As at 28 January 2023 (unaudited) £m	As at 29 January 2022 £m
Capital and reserves		
Issued ordinary share capital	**2.5**	2.5
Share premium	**467.5**	467.5
Retained earnings	**2,011.4**	1,910.6
Other reserves	**(361.9)**	(454.6)
Total equity attributable to equity holders of the parent	**2,119.5**	1,926.0
Non-controlling interests	**513.9**	413.6
Total equity	**2,633.4**	2,339.6

Consolidated Statement of Changes in Equity
For the 52 weeks ended 28 January 2023

	Ordinary Share Capital £m	**Share Premium £m**	**Retained Earnings £m**	**Other Equity £m**	**Share-based Payment Reserve £m**	**Foreign Currency Translation Reserve £m**	**Total Equity Attributable to Equity Holders of The Parent £m**
Balance at 30 January 2021	2.4	11.7	1,560.8	(308.4)	-	(27.8)	1,238.7
Profit for the period	-	-	369.7	-	-	-	369.7
Other comprehensive income:							
Exchange differences on translation of foreign operations	-	-	-	-	-	(12.4)	(12.4)
Total other comprehensive income	-	-	-	-	-	(12.4)	(12.4)
Total comprehensive income for the period	-	-	369.7	-	-	(12.4)	357.3
Dividends to equity holders	-	-	(14.9)	-	-	-	(14.9)
Put and call options held with non-controlling interests	-	-	-	(106.1)	-	-	(106.1)
Share capital issued	0.1	455.8	-	-	-	-	455.9
Acquisition of non-controlling interests	-	-	0.4	-	-	-	0.4
Divestment of non-controlling interests	-	-	(5.4)	-	-	-	(5.4)
Share-based payment charge	-	-	-	-	0.1	-	0.1
Balance at 29 January 2022	2.5	467.5	1,910.6	(414.5)	0.1	(40.2)	1,926.0
Profit for the period	-	-	142.5	-	-	-	142.5
Other comprehensive income:							
Exchange differences on translation of foreign operations	-	-	-	-	-	95.9	95.9
Total other comprehensive income	-	-	-	-	-	95.9	95.9
Total comprehensive income for the period	-	-	142.5	-	-	95.9	238.4
Dividends to equity holders	-	-	(24.8)	-	-	-	(24.8)
Put and call options held with non-controlling interests	-	-	-	(19.1)	-	-	(19.1)
Divestment of put options held by non-controlling interests	-	-	-	4.5	-	-	4.5
Lapsed put options held by non-controlling interests	-	-	-	11.2	-	-	11.2

controlling interests							
Acquisition of non-controlling interests	-	-	(16.9)	-	-	-	(16.9)
Share-based payment charge	-	-	-	-	0.2	-	0.2
Balance at 28 January 2023 (unaudited)	**2.5**	**467.5**	**2,011.4**	**(417.9)**	**0.3**	**55.7**	**2,119.5**

Consolidated Statement of Changes in Equity (continued)
For the 52 weeks ended 28 January 2023

	Total Equity Attributable to Equity Holders of The Parent £m	Non-Controlling Interests £m	Total Equity £m
Balance at 30 January 2021	**1,238.7**	**257.7**	**1,496.4**
Profit for the period	369.7	89.9	**459.6**
Other comprehensive income:			
Exchange differences on translation of foreign operations	(12.4)	(22.5)	**(34.9)**
Total other comprehensive income	(12.4)	(22.5)	**(34.9)**
Total comprehensive income for the period	357.3	67.4	**424.7**
Dividends to equity holders	(14.9)	(1.8)	**(16.7)**
Put and call options held with non-controlling interests	(106.1)	-	**(106.1)**
Share capital issued	455.9	-	**455.9**
Acquisition of non-controlling interests	0.4	(0.5)	**(0.1)**
Divestment of non-controlling interests	(5.4)	48.0	**42.6**
Non-controlling interests arising on acquisition	-	42.8	**42.8**
Share-based payment charge	0.1	-	**0.1**
Balance at 29 January 2022	**1,926.0**	**413.6**	**2,339.6**
Profit for the period	142.5	84.2	**226.7**
Other comprehensive income:			
Exchange differences on translation of foreign operations	95.9	34.0	**129.9**
Total other comprehensive income	95.9	34.0	**129.9**
Total comprehensive income for the period	238.4	118.2	**356.6**
Dividends to equity holders	(24.8)	(2.8)	**(27.6)**
Put and call options held with non-controlling interests	(19.1)	-	**(19.1)**
Divestment of put options held by non-controlling interests	4.5	-	**4.5**
Lapsed put options held by non-controlling interests	11.2	-	**11.2**
Acquisition of non-controlling interests	(16.9)	(16.4)	**(33.3)**
Divestment of non-controlling interests	-	(0.3)	**(0.3)**
Non-controlling interests arising on acquisition	-	1.6	**1.6**
Share-based payment charge	0.2	-	**0.2**
Balance at 28 January 2023 (unaudited)	**2,119.5**	**513.9**	**2,633.4**

Consolidated Statement of Cash Flows
For the 52 weeks ended 28 January 2023

	52 weeks to 28 January 2023 (unaudited) £m	52 weeks to 29 January 2022 £m
Cash flows from operating activities		
Profit for the period	**226.7**	459.6
Income tax expense	**214.2**	195.1
Financial expenses	**77.3**	67.9
Financial income	**(8.4)**	(1.4)
Depreciation and amortisation of non-current assets	**633.2**	579.9
Forex losses / (gains) on monetary assets and liabilities	**2.5**	(2.1)
Impairment of other intangibles and non-current assets (non-adjusted items)	**3.4**	13.2
Loss on disposal of non-current assets	**5.1**	3.5

Other adjusted items	**407.3**	287.0
Impairment of goodwill and fascia names (adjusted items)	**117.6**	-
Impairment of investments in associates and joint ventures (adjusted items)	**19.6**	-
Impairment of non-current assets (adjusted items)	**6.0**	5.5
Share of profit of equity-accounted investees, net of tax	**(4.9)**	(3.2)
Increase in inventories	**(501.3)**	(31.8)
Increase in trade and other receivables	**(42.2)**	(69.3)
Increase in trade and other payables	**177.1**	69.8
Interest paid	**(8.4)**	(8.4)
Lease interest	**(68.9)**	(59.5)
Income taxes paid	**(174.4)**	(244.1)
Net cash from operating activities	**1,081.5**	1,261.7
Cash flows from investing activities		
Interest received	**8.4**	1.4
Proceeds from sale of non-current assets	**11.5**	7.8
Investment in software	**(19.9)**	(14.9)
Acquisition of property, plant and equipment	**(326.6)**	(227.3)
Acquisition of non-current other assets	**(12.8)**	(5.7)
Drawdown of finance lease liabilities	**7.5**	5.4
Dividends received from equity-accounted investees	**3.4**	6.9
Cash consideration of disposals (net of cash disposed)	**59.6**	-
Deferred consideration paid	**(29.2)**	-
Investments in associates and joint ventures	**(2.8)**	(57.2)
Acquisition of subsidiaries, net of cash acquired	**(20.0)**	(559.3)
Net cash used in investing activities	**(320.9)**	(842.9)
Cash flows from financing activities		
Repayment of interest-bearing loans and borrowings	**(37.4)**	(513.3)
Drawdown of interest-bearing loans and borrowings	**15.5**	303.7
Repayment of lease liabilities	**(400.5)**	(356.2)
Proceeds received from issue of shares	**-**	455.9
Divestment of non-controlling interests	**0.1**	43.1
Acquisition of non-controlling interests	**(29.3)**	(0.1)

Consolidated Statement of Cash Flows (continued)
For the 52 weeks ended 28 January 2023

	52 weeks to 28 January 2023 (unaudited) £m	52 weeks to 29 January 2022 £m
Equity dividends paid	**(24.8)**	(14.9)
Dividends paid to non-controlling interests in subsidiaries	**(2.8)**	(1.8)
Net cash used in financing activities	**(479.2)**	(83.6)
Net increase in cash and cash equivalents	**281.4**	335.2
Cash and cash equivalents at the beginning of the period	**1,280.4**	948.7
Foreign exchange losses on cash and cash equivalents	**(12.9)**	(3.5)
Cash and cash equivalents at the end of the period	**1,548.9**	1,280.4

Analysis of Net Debt
As at 28 January 2023

	At 29 January 2022 £m	On acquisition of subsidiaries (unaudited) £m	Cash flow (unaudited) £m	Non-cash movements (unaudited) £m	**At 28 January 2023 (unaudited) £m**
Cash at bank and in hand	1,314.0	1.1	280.3	(12.9)	**1,582.5**
Overdrafts	(33.6)	-	-	-	**(33.6)**
Cash and cash equivalents	1,280.4	**1.1**	**280.3**	**(12.9)**	**1,548.9**

Cash and cash equivalents	1,280.4	1.1	280.3	(12.9)	1,548.9
Interest-bearing loans and borrowings:					
Bank loans	(94.5)	(3.8)	21.9	(3.2)	**(79.6)**
Net cash / (financial debt) before lease liabilities	1,185.9	**(2.7)**	**302.2**	**(16.1)**	**1,469.3**
Lease liabilities	(2,242.9)	(6.7)	393.0	(482.6)	**(2,339.2)**
Net cash / (debt)	(1,057.0)	**(9.4)**	**695.2**	**(498.7)**	**(869.9)**

1. Basis of Preparation

General Information
JD Sports Fashion Plc (the 'Company') is a company incorporated and domiciled in the United Kingdom. The financial statements for the 52 week period ended 28 January 2023 represent those of the Company and its subsidiaries (together referred to as the 'Group').

Accounts
The financial information set out above does not constitute the Group's statutory accounts for the 52 weeks ended 28 January 2023 or 52 weeks ended 29 January 2022. The financial information for the 52 weeks ended 29 January 2022 is derived from the statutory accounts for the 52 weeks ended 29 January 2022 which have been delivered to the registrar of companies. The auditor has reported on the 52 weeks ended 29 January 2022 accounts; their report was (i) unqualified, (ii) did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying their report and (iii) did not contain a statement under section 498 (2) or (3) of the Companies Act 2006. The statutory accounts for the 52 weeks ended 28 January 2023 will be finalised on the basis of the financial information presented by the directors in this preliminary announcement and will be delivered to the registrar of companies in due course. Copies of full accounts will be also be sent to shareholders by the end of May. Additional copies will be available from JD Sports Fashion Plc, Hollinsbrook Way, Pilsworth, Bury, Lancashire, BL9 8RR or online at www.jdplc.com.

Basis of Preparation
The Group financial statements, from which these results have been extracted, were prepared in accordance with UK-adopted International Accounting Standards.

The financial statements are presented in Pounds Sterling, rounded to the nearest tenth of a million. The financial statements have been prepared under the historical cost convention, as modified for financial assets and liabilities (including derivative instruments) at fair value through the Consolidated Income Statement and also put and call options held by the non-controlling interests.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods present in these financial statements and have been applied consistently by all Group entities. The Group has changed the presentation of certain items for the financial period ended 28 January 2023 by disaggregating elements of the Consolidated Income Statement and Consolidated Statement of Financial Position. The primary aim of this was to separate significant items and/or to facilitate the cross-referencing to other disclosures within the financial statements. This includes, but is not limited to, the share of profit of equity-accounted investees in the Consolidated Income Statement and the put and call option liabilities and investments in associates and joint ventures in the Consolidated Statement of Financial Position.

Going Concern
The Directors have prepared the Group financial statements on a going concern basis for the following reasons:

At 28 January 2023, the Group had net cash balances of £1,469.3 million (29 January 2022: £1,185.9 million) with available committed UK borrowing facilities of £700 million (29 January 2022: £700 million) of which £nil (29 January 2022: £nil) has been drawn down and US facilities of approximately $300 million of which $nil was drawn down (29 January 2022: $nil). These facilities are subject to certain covenants. With a UK facility of £700 million available up to 6 November 2026 and a US facility of approximately $300 million available up until 24 September 2026, the Directors believe that the Group is well placed to manage its business risks successfully despite the current uncertain economic outlook. The Group had net cash balances of £1,127.2 million and £nil drawn down on the facilities as at 5 May 2023.

The Directors have prepared cash flow forecasts for the Group covering a period of at least 12 months from the date of approval of these unaudited preliminary results, including specific consideration of a range of impacts that could arise from geopolitical tensions and the actual and potential impact on inflationary cost pressures. These forecasts indicate that the Group will be able to operate within the level of its agreed facilities and covenant compliance. For the purposes of Going Concern Reporting, the Directors have prepared severe but plausible downside scenarios which cover the same period as the base case, including specific consideration of a range of impacts that could arise from a significant business continuity event adversely impacting one of the Group's main distribution centres and peak trading. Further, the Directors have modelled the impact of a significant cyber-attack resulting in a significant proportion of the Group's stores being unable to trade for a period of one month, impacting the peak trading period of December 2023.

A reverse stress test has also been performed, which demonstrates that a reduction in revenue of 50% is required for the Group to run out of cash and be fully drawn down on the available facilities. This is not considered to be plausible.

1. Basis of Preparation (continued)

Going Concern (continued)
As part of this analysis, mitigating actions within the Group's control, should these severe but plausible scenarios occur, have also been considered, including reductions in capital expenditure, discretionary spend and dividends. The Directors have also considered the impact on the base case of the post balance sheet event buy or sell notice re Iberian Sports Retail Group S.L. as disclosed in Note 11. These forecast cash flows in the severe but plausible downside scenario indicate that there remains sufficient headroom for the Group to operate within the committed facilities and to comply with all relevant banking covenants during the forecast period.

The Directors have considered all of the factors noted above and are confident that the Group has adequate resources to continue to meet all liabilities as and when they fall due for a period of at least 12 months from the date of approval of these unaudited preliminary results. Accordingly, the financial statements have been prepared on a going concern basis.

Alternative Performance Measures
The Directors measure the performance of the Group based on a range of financial measures, including measures not recognised by International Accounting Standards ('IAS') in conformity with the requirements of the Companies Act 2006 and in accordance with UK-adopted International Accounting Standards. These alternative performance measures may not be directly comparable with other companies' alternative performance measures and the Directors do not intend these to be a substitute for, or superior to, IFRS measures. The Directors believe that these alternative performance measures assist in providing additional useful information on the trading performance of the Group.

Alternative Performance Measures are also used to enhance the comparability of information between reporting periods, by accounting for adjusted items. Adjusted items are disclosed separately when they are considered unusual in nature and not reflective of the trading performance and profitability of the Group. The separate reporting of adjusted items, which are presented as adjusted within the relevant category in the Consolidated Income Statement, helps provide an indication of the Group's trading performance. An explanation as to why items have been classified as adjusted is given in Note 3.

Further information can be found in the Alternative Performance Measures section on page 19.

Adoption of New and Revised Standards
The following amendments to accounting standards and interpretations, issued by the International Accounting Standards Board ('IASB'), have been adopted for the first time by the Group in the period with no significant impact on the consolidated results or financial position:

- Amendments to IFRS 3 'Business Combinations'.
- Amendments to IAS 16 'Property, Plant and Equipment'.
- Amendments to IAS 37 'Provisions, Contingent Liabilities and Contingent Assets'.
- Amendments to IFRS 9 'Financial Instruments'.

Other
The Group continues to monitor the potential impact of other new standards and interpretations which may be endorsed and require adoption by the Group in future reporting periods. The Group does not consider that any other standards, amendments or interpretations issued by the IASB, but not yet applicable, will have a significant impact on the financial statements.

Critical Accounting Estimates and Judgements
The preparation of financial statements in conformity with adopted IFRSs requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. The estimates and judgements disclosed below are those which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities. All other accounting estimates and judgements are disclosed within the relevant accounting policy in the notes to the financial statements.

1. Basis of Preparation (continued)

Change in Critical Accounting Estimate - Material Put and Call Options (Genesis Topco Inc Put and Call Option £801.1 million, ISRG Put Option £138.6 million and MIG Put and Call Option £52.5million)
Put and call options are in place over all of the remaining non-controlling interest shareholding in these subsidiaries and these options are required to be measured at the present value of the exercise price and this is reassessed at each period end.

Previous Accounting Estimate
In previous financial periods, the Group estimated the present value of the exercise price of the put and call options using Board approved forecasts multiplied by an earnings multiple. The option formula and multiple are stated in the option agreements with the exception of the ISRG option which does not have a multiple stated in the agreement. In the absence of a specified formula or multiple, the Group estimated this based on current evidence in the Mergers & Acquisitions market and our past experience of multiples paid for similar businesses. These forecast cash flows were discounted using a discount rate reflecting the current market assessment of the time value of money and any specific risk premiums relevant to the individual businesses involved. These discount rates were considered to be equivalent to the rates a market participant would use.

Current Accounting Estimate
For the 52 week period ended 28 January 2023, a change in the accounting estimation methodology was introduced using a third-party valuation expert to independently determine the present value of the exercise price of the material put and call options. The revised approach uses a Monte-Carlo simulation model applying a geometric Brownian motion to project the share price and arithmetic Brownian motion for the projection of EBITDA. This was considered to be a more suitable method of valuation given how material the put and call options are in terms of value and the Directors consider that this statistical based approach better accounts for the variability in assumptions and risk. Previously, the Group used a singular forecast model whereby the risk was dealt with via the discount rate premia. The Monte-Carlo model is considered to be more sophisticated in its simulation of historical and forecast data and earnings volatility to assess potential impacts across a wide range of future scenarios.

Change in Accounting Estimate
The change in accounting estimate has resulted in an increase to the total put and call option liability for the three material put and call options in relation to Genesis, MIG and ISRG of £170.6 million compared to the total put and call option liability calculated using the previous accounting estimate of £890.6 million as at 28 January 2023. The Group considers that the change in accounting estimate was a result of a modification in estimating techniques, rather than a change in policy and therefore is accounted for prospectively, in accordance with IAS 8.

Other Accounting Judgements
Groups of Cash-Generating Units ('Group CGUs')
The cash-generating units used to monitor goodwill and test it for impairment are the store portfolios and individual businesses. The cash-generating units are referred to throughout the Annual Report as Group CGUs. Online sales

channels are included at a Group CGU level rather than allocating to individual stores as these cashflows are not considered to be independent with no reasonable basis of allocation. Corporate assets that contribute to the future cash flows of more than one Group CGU are allocated to each Group CGU on a pro-rata basis based on forecast turnover. This allocation method has been applied consistently.

Other Accounting Estimates
Impairment of Goodwill and Other Intangible Assets
Goodwill is allocated to the groups of cash-generating units ('Group CGUs'), that are expected to benefit from the synergies of the business combination from which goodwill arose, being portfolios of stores or individual businesses. Other intangible assets arising on acquisition, such as fascia names, brand names and customer relationships are also allocated to the Group CGUs. The recoverable amount, including the portion of the corporate assets, is compared with the carrying amount of the Group CGU including goodwill. The recoverable amount of an asset or Group CGU is the greater of its value in use and its fair value less costs of disposal. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or Group CGU. See Note 3 for further information regarding the impairment of goodwill recognised during the period ended 28 January 2023.

Impairment of Brand Licences
At each reporting date, the Group reviews the carrying amounts of its brand licences to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. Impairment losses are recognised within administrative expenses in the Consolidated Income Statement. The recoverable amount of brand licences is determined based on value-in-use calculations. The use of this method requires the estimation of future cash flows expected to arise from the continuing operation of the relevant asset until the licence expiry date and the choice of a suitable discount rate in order to calculate the present value.

1. Basis of Preparation (continued)

Other Accounting Policies
Government Support
Government support is recognised in the Consolidated Financial Statements when it can be reliably measured, which the Group considers to be on receipt. In accordance with IAS 20 'Government Grants', £nil furlough income was received by the Group's UK subsidiaries during the 52 week period ended 28 January 2023 (52 week period ended 29 January 2022: £24.4 million) and £nil income was received by the Group's international subsidiaries (2022: £7.5 million). Income received in the previous period has been shown as a deduction from employed staff costs. Further, £nil rates relief was received by the Group's UK subsidiaries during the period ended 28 January 2023 (2022: £31.0 million). Rates relief received in the previous period has been shown as a deduction from selling and distribution costs. During the period, the Group's international subsidiaries received £3.9 million of government support in relation to rent charges (2022: £nil) which has been recognised within other operating income. During the period ended 28 January 2023, the Group repaid the £24.4 million of furlough income that it received from the UK Government in the period ended 29 January 2022. The repayment was accrued for as at 29 January 2022 and was shown as an expense within employed staff costs.

Share-Based Payments
The Executive Directors receive an element of remuneration in the form of share-based payments. Share based payments are measured at fair value at the grant date which is determined by the share price on that date. The cost of share-based payments is recognised as an expense, together with a corresponding increase in equity, on a straight-line basis over the vesting period of the awards. The amount recognised as an expense is adjusted to reflect the number of awards for which the related service and non-market performance conditions are expected to be met, such that the amount ultimately recognised is based on the number of awards that meet the related service and non-market performance conditions at the vesting date.

An Employee Benefit Trust ('EBT') has been established to facilitate the acquisition of ordinary shares to fund share awards made to employees. The assets and liabilities of the EBT have been included in the Group and Company accounts. The assets of the EBT are held separately from those of the Company. The Group consolidated statement of comprehensive income does not recognise gains or losses on purchases or sales of own shares. The cost of shares acquired by the EBT is recognised within equity. The Trustee of the EBT has agreed to waive its rights to any and all dividends paid.

Assets held for sale and disposals
Non-current assets, or disposal groups comprising assets and liabilities, are classified as held-for-sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use. Such assets, or disposal groups, are generally measured at the lower of their carrying amount and fair value less costs to sell. Any impairment loss on a disposal group is allocated first to goodwill, and then to the remaining assets and liabilities on a pro-rata basis, except that no loss is allocated to inventories, financial assets, deferred tax assets or investment property, which continue to be measured in accordance with the Group's other accounting policies. Impairment losses on initial classification as held-for-sale and subsequent gains and losses on remeasurement are recognised in profit or loss. Once classified as held-for-sale, intangible assets and property, plant and equipment are no longer amortised or depreciated. On disposal the balances are derecognised and the profit or loss on disposal is recognised in the Consolidated Income Statement as an adjusted item.

Provisions and Contingent Liabilities
The activities of the Group are overseen by a number of regulators around the world and, whilst the Group strives to ensure full
compliance with all its regulatory obligations, periodic reviews are inevitable which may result in a financial penalty. If the risk of
a financial penalty arising from one of these reviews is more than remote but not probable or cannot be measured reliably then
the Group will disclose this matter as a contingent liability. If the risk of a financial penalty is considered probable and can be measured reliably then the Group would make a provision for this matter.

Climate Change
In preparing the financial statements, we have considered the potential impact of climate change, primarily focusing on the non-current assets within the Consolidated Statement of Financial Position:

- The property, plant and equipment and right-of-use assets have relatively short useful lives and those longer life assets such as warehouses and head offices are in locations that we would not expect to be physically impacted by climate change. Further, the assets of the Group are geographically spread, reducing the risk further.
- The Group assess the intangible assets for indicators of impairment on an annual basis. As part of this assessment,

the forecast cash flows include capital expenditure budgets in relation to climate-related investments such as solar or building management systems.

- The Group's investments in joint ventures and associates comprise our equity investments. These businesses operate in the same sector as the Group and have a similar asset profile. There are no indicators of a specific climate-related material risk in relation to the investment in these businesses.
- The other non-current assets were also reviewed and no risk was identified.

In conclusion, there has been no material impact on the financial statements, judgements or estimates as a result of climate change.

2. Segmental analysis

IFRS 8 'Operating Segments' requires the Group's segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by the Chief Operating Decision Maker to allocate resources to the segments and to assess their performance. The Chief Operating Decision Maker is considered to be the Chief Executive Officer of JD Sports Fashion Plc.

Information reported to the Chief Operating Decision Maker is focused on the nature of the businesses within the Group. The Group's operating and reportable segments under IFRS 8 are Sports Fashion and Outdoor. In accordance with IFRS 8.12, we have aggregated several operating segments with similar economic characteristics into a larger Sports Fashion operating segment and concluded that, in doing so, the aggregation is still consistent with the core principles of IFRS 8.

When aggregating the operating segments into the larger Sports Fashion operating segment, we have primarily taken into consideration:

- IFRS 8.12.a the nature of products or services;
- IFRS 8.12.c type or class of customer; and
- IFRS 8.12.d the methods used to distribute their products.

The entities included in the Sports Fashion operating segment have similar characteristics as well-established, leading retailers or wholesalers of footwear, apparel and accessories from a mix of international sports fashion brands and private labels. When determining what to include within the Sports Fashion segment, we have considered that the fascias all target a similar demographic in terms of both age range and an aspiration to achieve a certain style, whether the product is to be used for lifestyle wear or active sports participation. The entities typically have similar economic characteristics in terms of sales metrics, long-term average gross margins, levels of capital investment and operating cash flows. The Outdoor segment differs from the Sports Fashion segment in that Outdoor is focused on retailing specialist apparel, footwear and technical products for outdoor pursuits. Further, the Outdoor segment typically appeals to an older and/or family-oriented demographic as compared with the younger and more style-focused demographic targeted by the Sports Fashion businesses.

The Chief Operating Decision Maker receives and reviews segmental operating profit. Certain central administrative costs including Group Directors' salaries are included within the Group's Sports Fashion result. This is consistent with the results as reported to the Chief Operating Decision Maker.

IFRS 8 requires disclosure of information regarding revenue from major customers. The majority of the Group's revenue is derived from the retail of a wide range of apparel, footwear and accessories to the general public. As such, the disclosure of revenues from major customers is not appropriate.

The Board considers that certain items are cross-divisional in nature and cannot be allocated between the segments on a meaningful basis. Certain net funding costs are treated as unallocated, reflecting the nature of the Group's syndicated borrowing facilities.

The eliminations remove intercompany transactions and balances between different segments which primarily relate to the net drawdown of long-term loans and short-term working capital funding provided by JD Sports Fashion Plc (within Sports Fashion) to other companies in the Group, and intercompany trading between companies in different segments. Inter-segment transactions are undertaken in the ordinary course of business on arm's length terms

2. Segmental analysis (continued)

Business segments

Information regarding the Group's reportable operating segments for the 52 weeks to 28 January 2023 is shown below:

Income statement (unaudited)

	Sports Fashion £m	Outdoor £m	Unallocated £m	**Total £m**
Gross revenue	9,560.9	564.1	-	**10,125.0**
Inter-segment revenue	(0.3)	0.3	-	**-**
Revenue	**9,560.6**	**564.4**	-	**10,125.0**
Gross profit %	48.1%	42.2%	-	**47.8%**
Operating profit before adjusted items	1,043.5	16.8	-	**1,060.3**
Adjusted items	(510.7)	(39.8)	-	**(550.5)**
Operating profit / (loss)	532.8	(23.0)	-	**509.8**
Financial income	-	-	8.4	**8.4**
Financial expenses	(66.1)	(2.8)	(8.4)	**(77.3)**
Profit / (loss) before tax	466.7	(25.8)	-	**440.9**
Income tax expense				**(214.2)**
Profit for the period				**226.7**

	Sports Fashion £m	Outdoor £m	Eliminations £m	**Total £m**
Total assets	7,756.2	462.1	(193.6)	**8,024.7**
Total liabilities	(5,185.2)	(399.7)	193.6	**(5,391.3)**
Total segment net assets (unaudited)	2,571.0	62.4	-	**2,633.4**

2. Segmental analysis (continued)

Other segment information (unaudited)

	Sports Fashion £m	Outdoor £m	**Total £m**
Capital expenditure:			
Software development	19.9	-	**19.9**
Brand licences	78.4	-	**78.4**
Property, plant and equipment	305.6	21.0	**326.6**
Right-of-use assets	372.8	35.6	**408.4**
Non-current other assets	12.8	-	**12.8**
Depreciation, amortisation and impairments:			
Amortisation of intangible assets	71.6	4.4	**76.0**
Depreciation of property, plant and equipment	154.1	7.9	**162.0**
Depreciation of right-of-use assets	372.2	23.0	**395.2**
Impairment of non-current assets (adjusted items)	83.8	39.8	**123.6**
Impairment of investment in associates and joint ventures (adjusted items)	19.6	-	**19.6**
Impairment of non-current assets (non-adjusted items)	3.4	-	**3.4**

The comparative segmental results for the 52 weeks to 29 January 2022 are as follows:

Income statement

	Sports Fashion £m	Outdoor £m	Unallocated £m	**Total £m**
Gross revenue	8,049.7	513.3	-	**8,563.0**
Inter-segment revenue	(0.1)	0.1	-	**-**
Revenue	**8,049.6**	**513.4**	-	**8,563.0**
Gross profit %	49.5%	43.9%	-	**49.1%**
Operating profit before adjusted items	985.5	28.2	-	**1,013.7**
Adjusted items	(292.5)	-	-	**(292.5)**
Operating profit	693.0	28.2	-	**721.2**
Financial income	-	-	1.4	**1.4**
Financial expenses	(57.2)	(2.3)	(8.4)	**(67.9)**
Profit / (loss) before tax	635.8	25.9	(7.0)	**654.7**
Income tax expense				**(195.1)**
Profit for the period				**459.6**

2. Segmental analysis (continued)

	Sports Fashion (restated[1]) £m	Outdoor (restated[1]) £m	Eliminations £m	**Total £m**
Total assets	6,762.6	422.0	(116.0)	**7,068.6**
Total liabilities	(4,517.8)	(327.2)	116.0	**(4,729.0)**
Total segment net assets	2,244.8	94.8	-	**2,339.6**

(1) Certain prior period amounts have been reclassified for consistency with the current period presentation. These reclassifications had no effect on the reported results of operations. A presentational adjustment was made between Unallocated, Sports Fashion and Outdoor, with amounts reported in the 2022 financial statements previously designated as Unallocated now designated to either Sports Fashion or Outdoor. These items were a deferred tax asset of £81.7 million, a

deferred tax liability of £127.4 million and an income tax receivable of £0.6 million.

Other segment information

	Sports Fashion £m	Outdoor £m	**Total £m**
Capital expenditure:			
Software development	14.9	-	**14.9**
Brand licences	5.2	-	**5.2**
Property, plant and equipment	221.8	5.5	**227.3**
Right-of-use assets	467.6	54.4	**522.0**
Non-current other assets	5.7	-	**5.7**
Depreciation, amortisation and impairments:			
Amortisation of intangible assets	59.4	4.0	**63.4**
Depreciation of property, plant and equipment	149.3	8.9	**158.2**
Amortisation of non-current other assets	0.1	-	**0.1**
Depreciation of right-of-use assets	341.6	16.6	**358.2**
Impairment of non-current assets (adjusted items)	5.5	-	**5.5**
Impairment of non-current assets (non-adjusted items)	12.0	1.2	**13.2**

2. Segmental analysis (continued)

Geographical Information
The Group's operations are located in the UK, Andorra, Australia, Austria, Belgium, Bosnia and Herzegovina, Bulgaria, Canada, Croatia, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hong Kong, Hungary, India, Indonesia, Israel, Italy, Latvia, Lithuania, Malaysia, the Netherlands, New Zealand, Poland, Portugal, the Republic of Ireland ('ROI'), Romania, Serbia, Singapore, Slovakia, Slovenia, South Korea, Spain and the Canary Islands, Sweden, Thailand, the UAE and the US.

Revenue analysis
The following table provides analysis of the Group's revenue by geographical market, irrespective of the origin of the goods / services:

	2023 (unaudited) £m	2022 £m
UK and ROI	**3,826.7**	3,578.5
Europe	**2,659.9**	2,046.7
North America	**3,150.1**	2,609.2
Rest of world	**488.3**	328.6
	10,125.0	8,563.0

The revenue from any individual country, with the exception of the UK & US, is not more than 10% of the Group's total revenue.

The following table provides analysis of the Group's revenue by channel:

	2023 (unaudited) £m	2022 £m
Retail stores	**7,345.6**	5,668.5
Multichannel	**2,460.8**	2,623.1
Other (1)	**318.6**	271.4
	10,125.0	8,563.0

(1) Other relates to revenue from leisure club memberships and wholesale revenue.

The following table provides analysis of the Group's revenue by product type:

	2023 (unaudited) £m	2022 £m
Footwear	**5,471.4**	4,590.4
Apparel	**3,560.6**	3,199.9
Accessories	**629.6**	540.6
Other (2)	**463.4**	232.1
	10,125.0	8,563.0

(2) Other relates to revenue from sales of outdoor living equipment, delivery income and revenue from leisure club memberships.

2. Segmental analysis (continued)

Non-current assets analysis
The following is an analysis of the carrying amount of segmental non-current assets by the geographical area in which the assets are located.

	2023 (unaudited) £m	2022 (restated[3]) £m
UK and ROI	**1,222.2**	1,239.8
Europe	**1,449.5**	1,348.1
North America	**1,758.8**	1,643.6
Rest of world	**158.5**	160.6
	4,589.0	4,392.1

(3) Certain prior period amounts have been reclassified for consistency with the current period presentation. These reclassifications had no effect on the reported results of operations. A presentational adjustment was made between Unallocated and the geographical areas listed above with the deferred tax asset of £81.7 million reported in the 2022 financial statements previously designated as Unallocated now designated to the appropriate geographical area.

3. Adjusted items

	52 weeks to 28 January 2023 (unaudited) £m	52 weeks to 29 January 2022 £m
Impairment of intangible assets and impairments (1)	**137.2**	-
Items that are unusual in nature or outside of the normal course of business:		
Movement in present value of put and call options (2)	**296.2**	292.7
Insurance settlement for DTLR (3)	**-**	(16.6)
Items as a result of acquisitions, divestments, major business changes or restructuring:		
Divestment and restructuring (4)	**129.6**	16.4
Deferred consideration release (5)	**(12.5)**	-
Administrative expenses - adjusted items	**550.5**	292.5

1. The impairment in the current period primarily relates to the impairment of goodwill and fascia name arising on the acquisition of Deporvillage (£24.7 million), Hairburst (£21.6 million), Leisure Lakes (£21.1 million), Wheelbase (£18.7 million), Bodytone (£12.4 million), Missy Empire (£10.2 million), Livestock (£7.1 million), Wellgosh (£1.0 million), Oi Polloi (£0.7 million) and Philip Browne (£0.1 million). In addition there is an impairment charge for the investment in Gym King of £19.6 million.
2. Movement in the present value of the liabilities in respect of put and call options as re-measured at each reporting date (£295.0 million), comprising Genesis Topco Inc charge of £280.8 million (2022: charge of £258.7 million), Iberian Sports Retail Group charge of £19.6 million (2022: charge of £31.6 million), Marketing Investment Group S.A: a charge of £0.5 million (2022: charge of £1.7 million) and a credit of £5.9 million (2022: charge of £0.7 million) in relation to the other put and call options held by non-controlling interests. Also included is a charge of £1.2 million relating to an element of put and call option agreements that have been treated as a long-term employee benefit under IAS 19.
3. Insurance settlement proceeds in the prior period related to a pre-acquisition claim for business interruption by DTLR Villa LLC. As the claim was a contingent asset at the date of acquisition, this was not recognised in the assets acquired in the fair value table in Note 5.

3. Adjusted items (continued)

4. The divestment and restructuring charge relates to the divestment of UK-based non-core fashion business assets (£106.7 million) and Footasylum (£14.8 million) plus the closure costs associated with JD's announced withdrawal from the South Korean market in the current period (£8.1 million) being business restructuring costs of £2.1 million and a charge of £6.0 million in relation to the impairment of non-current assets. (2022: The impact of the restructuring of Spodis SA in the prior period, including a charge of £5.5 million in relation to the impairment of tangible assets and business restructuring costs of £10.9 million).
5. Acquisition related release of contingent consideration for Leisure Lakes (£10.5 million) and Total Swimming Holdings Limited (£2.0 million).

4. Earnings per ordinary share

Basic and adjusted earnings per ordinary share
On 3 February 2021, JD Sports Fashion Plc completed the placing of new ordinary shares in the capital of the Company. A total of 58,393,989 new ordinary shares were issued, increasing the total ordinary shares in issue to 1,031,627,149. The shares were placed at an issue price of 795 pence per share with a par value of 0.25 pence leading to share capital of £0.1 million and share premium of £455.8 million being recognised on issue (this is net of £8.3 million of costs incurred).

Following an ordinary resolution on 30 November 2021, a share split occurred whereby five ordinary shares were issued for each ordinary share. In accordance with IAS 33, the number of shares outstanding before the event was adjusted in the comparative period ended 29 January 2022 for the proportionate change, as if the event had occurred at the beginning of the earliest period presented. On 20 December 2022, JD Sports Fashion Plc completed the placing of new ordinary shares in the Capital of the Company. A total of 25,000,000 new ordinary shares were issued, increasing the total ordinary shares in issue to 5,183,135,745.

The calculation of basic earnings per ordinary share at 28 January 2023 is based on the profit for the period attributable to equity holders of the parent of £142.5 million (2022: £369.7 million) and a weighted average number of ordinary shares outstanding during the 52 week period ended 28 January 2023 of 5,158,135,745 (2022: 5,158,135,745). Adjusted earnings per ordinary share have been based on the profit for the period attributable to equity holders of the parent for each financial period but excluding the post-tax effect of certain adjusted items. The Directors consider that this gives a more useful measure of the trading performance and profitability of the Group.

	52 weeks to 28 January 2023 (unaudited) millions	52 weeks to 29 January 2022 millions
Issued ordinary shares at beginning of period	**5,158.1**	4,866.2
Ordinary shares issued on 3 February 2021	**-**	291.9
Ordinary shares issued on 20 December 2022	**25.0**	-
Issued ordinary shares at end of period	**5,183.1**	5,158.1

	Note	**52 weeks to 28 January 2023 (unaudited) £m**	52 weeks to 29 January 2022 £m
Profit for the period attributable to equity holders of the parent		**142.5**	369.7
Adjusted items	3	**550.5**	292.5
Tax relating to adjusted items		**(2.4)**	0.3
Profit for the period attributable to equity holders of the parent excluding adjusted items		**690.6**	662.5
Adjusted earnings per ordinary share		**13.39p**	12.84p
Basic earnings per ordinary share		**2.76p**	7.17p

4. Earnings per ordinary share (continued)

	52 weeks to 28 January 2023 (unaudited) millions	52 weeks to 29 January 2022 millions
Weighted average number of ordinary shares at beginning of period	**5,158.1**	4,866.2
Effect of ordinary shares issued on 3 February 2021	**-**	291.9
Effect of ordinary shares issued on 20 December 2022	**2.8**	-
Effect of ordinary shares held by the JD Sports Employee Benefit Trust as treasury shares[1]	**(2.4)**	-
Weighted average number of ordinary shares at end of period (basic)	5,158.5	5,158.1

Diluted Earnings Per Ordinary Share

Diluted earnings per ordinary share is 2.76p (2022: 7.17p). Diluted adjusted earnings per share is 13.39p (2022: 12.84p). The calculation of diluted earnings per ordinary share at 28 January 2023 is based on the profit for the period attributable to equity holders of the parent of £142.5 million (2022: £369.7 million) and a weighted average number of ordinary shares outstanding during the period after adjusted for the effects of all dilutive potential ordinary shares calculated as follows:

	52 weeks to 28 January 2023 (unaudited) millions	52 weeks to 29 January 2022 millions
Weighted average number of ordinary shares at beginning of period (diluted)	**5,158.2**	4,866.2
Effect of ordinary shares issued on 3 February 2021	**-**	291.9
Effect of shares granted on 20 October 2021 under the LTIP 2021	**-**	0.1
Effect of ordinary shares issued on 20 December 2022	**2.8**	-
Effect of ordinary shares held by the JD Sports Employee Benefit Trust as treasury shares[1]	**(2.4)**	-

Benefit Trust as treasury shares		
Weighted average number of ordinary shares at end of period (diluted)	**5,158.6**	5,158.2

5. Acquisitions

Current Period - Non-Significant Acquisitions

	Fair values acquired (unaudited) £m
Acquiree's net assets at acquisition date:	
Intangible assets	**6.6**
Property, plant and equipment	**19.3**
Right-of-use assets	**9.2**
Inventories	**0.4**
Cash and cash equivalents	**1.1**
Trade and other receivables	**3.3**
Trade and other payables	**(11.6)**
Bank loans and overdrafts	**(3.8)**
Deferred tax liability	**(3.7)**
Lease liabilities	**(6.7)**
Provisions	**(0.5)**
Net identifiable assets	**13.6**
Non-controlling interests (various)	**(1.6)**
Goodwill on acquisition	**12.6**
Consideration - satisfied in cash	**21.1**
Consideration - deferred	**3.5**
Total consideration	**24.6**

Total Swimming Holdings Ltd
On 27 May 2022, JD Sports Fashion Plc completed, via its existing subsidiary JD Sports Gyms Limited, the acquisition of 60% of the issued share capital of Total Swimming Holdings Limited for an initial cash consideration of £11.1 million. Total Swimming Holdings was founded by former Olympic swimmers Steve Parry, Rebecca Adlington and Adrian Turner to make swimming more accessible and includes Swim!, the first multi-site operator of dedicated children's 'learn to swim' centres in the UK. The acquisition provides a broadening of the Group's leisure interests, which now includes gyms and pools.

Additional deferred contingent consideration of up to £4.0 million was payable if certain targets and performance criteria are achieved. The fair value of the contingent consideration as at the acquisition date was determined to be £3.5 million. During the financial period ended 28 January 2023, one of the performance criteria for receiving the deferred consideration was not met. Since this was as a result of a post-acquisition event, the release of £2.0 million of contingent consideration was taken through the Consolidated Income Statement (Note 3). The fair value of the remaining contingent consideration as at 28 January 2023 was determined to be £1.4 million.

Put and call options, to enable future exit opportunities for the management team, have also been agreed and become exercisable from 2026 onwards. We assessed the substance of the put option agreement, taking into account the management leaver terms, and concluded that an element of the future option payment is linked to continued future service and will be expensed on a straight-line basis over the service period. A valuation of the remaining put and call option liability has been performed using an earnings multiple, a suitable discount rate and Board approved forecasts, and the initial liability of £9.2 million has been recognised with the corresponding entry to Other Equity in accordance with the present value method of accounting. The present value of these options is required to be estimated at each accounting period date.

5. Acquisitions (continued)

Included within the fair value of the net identifiable assets on acquisition is an intangible asset of £5.5 million representing the fascia names acquired on acquisition and £1.1 million representing the customer relationships. The Board believes that the excess of consideration paid over net assets on acquisition of £12.4 million is best considered as goodwill on acquisition representing the market position of the business, the assembled workforce and the potential future growth opportunities from opening new sites under the Swim! concept. As at the date of this report, the period in which measurement adjustments could be made has now closed on this acquisition and no further fair value measurement adjustments have been made.

Included in the 52 week period ended 28 January 2023 is revenue of £15.4 million and a profit before tax of £0.1 million in respect of Total Swimming Holdings.

Other Acquisitions
During the period, the Group made two other acquisitions which were not material. The acquiree's net assets at acquisition

related to these acquisitions are also included in the fair value table above.

Full Period Impact of Acquisitions
Had the acquisitions of the entities acquired been affected at 30 January 2022, the revenue and profit before tax of the Group for the 52 week period to 28 January 2023 would have been £10.1 billion and £227.1 million respectively.

Acquisition Costs
Acquisition related costs amounting to £0.1 million have been excluded from the consideration transferred and have been recognised as an expense in the period, within administrative expenses in the Consolidated Income Statement.

Acquisition of Non-Controlling Interests

JD Sports Fashion Korea Inc
On 6 September 2022, JD Sports Fashion Plc acquired the remaining 50% of the issued share capital in its existing subsidiary JD Sports Fashion Korea Inc for a cash consideration of 26.1 billion KRW (£16.4 million). The Group now owns 100% of the issued share capital of JD Sports Fashion Korea Inc. In accordance with IFRS 10, the Group had previously assessed and concluded that it controlled the subsidiary. As the acquisition on 6 September 2022 does not result in a change of control, this has been accounted for as an equity transaction.

During the period ended 28 January 2023, the Group announced that JD would be withdrawing from the South Korean market (see Note 3 for details of the provision for closure costs).

Deporvillage S.L.
On 14 October 2022, Iberian Sports Retail Group S.L. ('ISRG'), the Group's existing intermediate holding company in Spain, acquired a further 18% of the issued share capital in its existing subsidiary Deporvillage S.L. for a cash consideration of €14.8 million (£12.9 million) and deferred consideration of €5.0 million (£4.3 million) subject to the non-controlling interests abiding by certain non-compete obligations. 50% of the deferred consideration is due within one year of the completion date of 14 October 2022 with the remaining 50% due on the second anniversary of the completion date. ISRG now owns 98% of the issued share capital and the Group now owns an effective shareholding of 49% of the issued share capital of Deporvillage S.L. In accordance with IFRS 10, the Group had previously assessed and concluded that it controlled the subsidiary. As the acquisition on 14 October 2022 does not result in a change of control, this has been accounted for as an equity transaction.

5. Acquisitions (continued)

Prior Period Acquisitions - Significant

DTLR Villa LLC

Initial acquisition
On 17 March 2021, JD Sports Fashion Plc ('JD') acquired 100% of the issued share capital of DTLR Villa LLC, via a wholly owned intermediate holding company in the US. Total cash consideration was £305.2 million, split between £117.9 million debt funding and £187.3 million equity funding. DTLR is based in Baltimore, Maryland and is a hyperlocal athletic footwear and apparel streetwear retailer operating from 247 stores across 19 states on acquisition. The acquisition of DTLR, with its differentiated consumer proposition, enhances the Group's neighbourhood presence in the North and East of the US.

The existing DTLR management team has also reinvested a portion of its proceeds back into DTLR in exchange for a new minority stake of 1.5%. Put and call options, to enable future exit opportunities for the management team, have also been agreed and become exercisable after a minimum period of three years from the date of acquisition. In the prior period, a valuation of these put and call options was performed using an earnings multiple, a suitable discount rate and approved forecasts, and the initial liability of £4.2 million was recognised with the corresponding entry to Other Equity in accordance with the present value method of accounting. The present value of these options is required to be estimated at each accounting period date.

Included within the fair value of the net identifiable assets on acquisition is an intangible asset of £101.6 million representing the DTLR fascia name and an intangible asset of £3.8 million representing the customer relationships arising from the loyalty scheme in place. The Board believes that the excess of consideration paid over net assets on acquisition of £212.0 million is best considered as goodwill on acquisition representing future operating synergies.

The goodwill calculation is summarised on the next page. As at the date of this report, the period in which measurement adjustments could be made has now closed on this acquisition and no further fair value measurement adjustments have been made.

Subsequent intra-group transfer
On 2 July 2021, JD completed the transfer of the intermediate Parent Company and DTLR to Genesis Topco Inc ('Genesis'), which is an existing 80.0% subsidiary based in the US and Parent Company of the sub-group which contains Finish Line Inc. and the Shoe Palace Corporation. It was always the intention for DTLR to be part of the Genesis sub-group, but the requirement for speed and certainty of execution on the original transaction meant that it was more appropriate for the Group to initially acquire DTLR directly. This transfer to Genesis now brings all of the Group's businesses in the US into one sub-group, which will enhance the future operational collaboration between them. However, as the parent to Genesis, JD will continue to make strategic decisions regarding the Company's future. The consideration payable by Genesis to JD in relation to the transfer was the same as the total consideration paid by JD on the original acquisition.

By virtue of the fact that JD only owns 80% of Genesis, JD effectively disposed of a proportion of its investment in DTLR to the four Mersho Brothers ('the Mershos') who, with their 20% aggregate shareholding in Genesis, are jointly a related party of JD. In order to maintain their shareholding in Genesis at the current level, the Mershos invested their pro-rata element of the equity consideration of $52.0 million into Genesis. This transfer took place on an arm's length basis and reflects the net assets acquired as at the original acquisition date of 17 March 2021.

5. Acquisitions (continued)

Prior Period Acquisitions - Significant (continued)
DTLR Villa LLC (continued)

	Book value £m	Measurement adjustments £m	**Fair value at 17 March 2021 £m**
Acquiree's net assets at acquisition date:			

Intangible assets	43.7	62.9	**106.6**
Property, plant and equipment	53.7	(4.4)	**49.3**
Other non-current assets	0.5	(0.2)	**0.3**
Right-of-use assets	-	139.9	**139.9**
Inventories	40.3	-	**40.3**
Cash and cash equivalents	95.2	-	**95.2**
Trade and other receivables	7.6	(3.3)	**4.3**
Income tax asset	0.4	-	**0.4**
Trade and other payables	(37.6)	(0.9)	**(38.5)**
Bank loans and overdrafts	(140.2)	-	**(140.2)**
Deferred tax liability	(3.3)	(21.2)	**(24.5)**
Lease liabilities	(11.8)	(128.1)	**(139.9)**
Net identifiable assets	48.5	44.7	**93.2**
Goodwill on acquisition			**212.0**
Total consideration			**305.2**

Included in the 52 week period ended 29 January 2022 was revenue of £382.8 million and a profit before tax of £63.9 million in respect of DTLR.

5. Acquisitions (continued)

Prior Period Acquisitions - Significant (continued)

Marketing Investment Group S.A.
On 30 April 2021, JD Sports Fashion Plc acquired 60% of the issued share capital of Marketing Investment Group S.A. ('MIG') for total consideration of £66.0 million. Total consideration comprised cash consideration of £63.6 million and £2.4 million of deferred consideration that is subject to customary closing conditions and has been paid in February 2023.

MIG operated 410 stores on acquisition along with the associated trading websites in nine countries in Central and Eastern Europe. The acquisition of MIG provided the platform to develop the JD fascia in Central and Eastern Europe. The MIG team has been instrumental in the opening of JD stores in Eastern Europe with JD stores now in Poland, Romania, Lithuania and Hungary.

Put and call options to enable future exit opportunities for the 40% shareholders have also been agreed and become exercisable after the period ending January 2025. In the prior period, a valuation of these put and call options was performed using an earnings multiple, a suitable discount rate and approved forecasts, and the initial liability of £50.2 million was recognised with the corresponding entry to Other Equity in accordance with the present value method of accounting. The present value of these options is required to be estimated at each accounting period date.

Included within the fair value of the net identifiable assets on acquisition is an intangible asset of £25.1 million representing the Sizeer fascia name and an intangible asset of £4.1 million representing the 50 Style fascia name. The Board believes that the excess of consideration paid over net assets on acquisition of £41.4 million is best considered as goodwill on acquisition representing future operating synergies. As at the date of this report, the period in which measurement adjustments could be made has now closed on this acquisition and no further fair value measurement adjustments have been made. The goodwill calculation is summarised below:

	Book value £m	Measurement adjustments £m	**Fair value at 30 April 2021 £m**
Acquiree's net assets at acquisition date:			
Intangible assets	2.6	29.2	**31.8**
Property, plant and equipment	16.6	-	**16.6**
Other non-current assets	1.1	-	**1.1**
Right-of-use assets	-	66.2	**66.2**
Inventories	69.1	(1.9)	**67.2**
Cash and cash equivalents	6.5	-	**6.5**
Trade and other receivables	4.9	1.1	**6.0**
Income tax asset	0.1	-	**0.1**
Trade and other payables	(58.6)	1.7	**(56.9)**
Bank loans and overdrafts	(27.0)	-	**(27.0)**
Deferred tax asset / (liability)	1.0	(5.5)	**(4.5)**
Lease liabilities	-	(66.2)	**(66.2)**
Net identifiable assets	16.3	24.6	**40.9**
Non-controlling interest (40%)	(6.5)	(9.8)	**(16.3)**
Goodwill on acquisition			**41.4**
Consideration - satisfied in cash			**63.6**
Consideration - deferred (paid February 2023)			**2.4**

Total consideration	**66.0**

Included in the 52 week period ended 29 January 2022 was revenue of £175.0 million and a profit before tax of £6.0 million in respect of MIG.

5. Acquisitions (continued)

Prior Period Acquisitions - Significant (continued)

Deporvillage S.L.
On 25 June 2021, Iberian Sports Retail Group S.L. ('ISRG'), the Group's existing intermediate holding company in Spain, exchanged contracts on the conditional acquisition of Deporvillage S.L. ('Deporvillage'), which is based in Manresa, Catalonia. ISRG is a leading operator in the sporting goods market across Iberia through its Sprinter and Sport Zone fascias with the acquisition of Deporvillage, an online retailer of specialist sports equipment with country specific websites in six European countries, giving additional depth and expertise in the key categories of cycling, running and outdoor. The transaction was subject to certain conditions, principally relating to anti-trust clearance, with formal completion taking place on 3 August 2021. Total maximum cash consideration for the acquisition of an initial 80% holding was £119.6 million of which a maximum of £34.5 million was deferred and contingent on achieving certain future performance criteria. As at the date of the acquisition and the January 2022 period-end, the fair value of the contingent consideration was determined to be £19.0 million. This was subsequently paid in July 2022.

Put and call options to enable future exit opportunities for the 20% shareholders were also agreed and became exercisable from 2024 onwards. In the prior period, a valuation of these put and call options was performed using an earnings multiple, a suitable discount rate and approved forecasts, and the initial liability of £11.2 million was recognised with the corresponding entry to Other Equity in accordance with the present value method of accounting. The present value of these options was required to be estimated at each accounting period date. During the period ended 28 January 2023, these put and call options lapsed as a result of a further acquisition of 18% of the issued share capital of Deporvillage by ISRG. Revised put and call options over the remaining 2% are now held by the non-controlling interest shareholders.

Included within the fair value of the net identifiable assets on acquisition is an intangible asset of £38.8 million representing the Deporvillage online fascia name and an intangible asset of £8.7 million representing the fair value of the customer base. The Board believes that the excess of consideration paid over net assets on acquisition of £70.4 million is best considered as goodwill on acquisition representing future operating synergies. As at the date of this report, the period in which measurement adjustments could be made has now closed on this acquisition and no further fair value measurement adjustments have been made. An impairment charge of £24.7 million has been recognised during the period ended 28 January 2023 against the intangibles recorded on acquisition The goodwill calculation is summarised below:

	Book value £m	Measurement adjustments £m	**Fair value at 3 August 2021 £m**
Acquiree's net assets at acquisition date:			
Intangible assets	0.9	48.4	**49.3**
Property, plant and equipment	0.3	-	**0.3**
Right-of-use assets	-	1.1	**1.1**
Inventories	28.6	-	**28.6**
Cash and cash equivalents	2.4	-	**2.4**
Trade and other receivables	4.7	-	**4.7**
Trade and other payables	(29.3)	-	**(29.3)**
Bank loans and overdrafts	(1.3)	-	**(1.3)**
Income tax liability	(1.0)	-	**(1.0)**
Deferred tax asset / (liability)	0.6	(12.1)	**(11.5)**
Lease liabilities	-	(1.1)	**(1.1)**
Net identifiable assets	5.9	36.3	**42.2**
Non-controlling interest (20%)	(1.2)	(7.3)	**(8.5)**
Goodwill on acquisition			**70.4**
Consideration - satisfied in cash			**85.1**
Consideration - deferred (settled in cash - July 2022)			**19.0**
Total consideration			**104.1**

Included in the 52 week period ended 29 January 2022 was revenue of £67.8 million and a profit before tax of £2.5 million in respect of Deporvillage.

5. Acquisitions (continued)

Prior Period Acquisitions - Significant (continued)

Cosmos Sport S.A.
On 21 October 2021, the Group acquired 80% of the issued share capital of Cosmos Sport S.A. ('Cosmos') for cash consideration of £65.0 million. At acquisition Cosmos operated 58 stores in Greece and three in Cyprus under a variety of retail banners and associated trading websites. The two main fascias are Cosmos, which is the core fascia of the business and has an elevated sporting goods and lifestyle proposition, and Sneaker 10, which has a more premium footwear offer.

Put and call options to enable future exit opportunities for the 20% shareholders have also been agreed and become exercisable from 2025 onwards. In the prior period, a valuation of these put and call options was performed using an earnings multiple, a suitable discount rate and approved forecasts, and the initial liability of £10.0 million was recognised with the corresponding entry to Other Equity in accordance with the present value method of accounting. The present value of these options is required to be estimated at each accounting period date.

Included within the fair value of the net identifiable assets on acquisition is an intangible asset of £9.1 million representing the Cosmos fascia name and an intangible asset of £4.2 million representing the Sneaker 10 fascia name. The Board believes that the excess of consideration paid over net assets on acquisition of £39.5 million is best considered as goodwill on acquisition representing future operating synergies. As at the date of this report, the period in which measurement adjustments could be made has now closed on this acquisition and no further fair value measurement adjustments have been made. The goodwill calculation is summarised below:

	Book value £m	Measurement adjustments £m	**Fair value at 21 October 2021 £m**
Acquiree's net assets at acquisition date:			
Intangible assets	-	13.3	**13.3**
Property, plant and equipment	14.0	-	**14.0**
Non-current other assets	1.0	-	**1.0**
Right-of-use assets	-	38.2	**38.2**
Inventories	24.3	-	**24.3**
Cash and cash equivalents	13.2	-	**13.2**
Trade and other receivables	5.7	-	**5.7**
Income tax asset	0.3	-	**0.3**
Trade and other payables	(27.9)	-	**(27.9)**
Bank loans and overdrafts	(8.5)	-	**(8.5)**
Deferred tax liability	(0.3)	(3.2)	**(3.5)**
Lease liabilities	-	(38.2)	**(38.2)**
Net identifiable assets	21.8	10.1	**31.9**
Non-controlling interest (20%)	(4.4)	(2.0)	**(6.4)**
Goodwill on acquisition			**39.5**
Total consideration			**65.0**

Included in the 52 week period ended 29 January 2022 was revenue of £26.0 million and a profit before tax of £0.9 million in respect of Cosmos.

5. Acquisitions (continued)

Prior Period Acquisitions - Other Acquisitions
The aggregate impact of the other acquisitions in the prior period is as follows with further details provided in the narrative on the following pages.

	Fair values acquired £m
Acquiree's net assets at acquisition date:	
Intangible assets	**34.4**
Property, plant and equipment	**8.5**
Other non-current assets	**0.2**
Right-of-use assets	**26.3**
Inventories	**31.6**
Cash and cash equivalents	**35.3**
Trade and other receivables	**9.6**
Trade and other payables	**(24.5)**
Bank loans and overdrafts	**(6.2)**
Income tax liabilities	**(4.4)**
Deferred tax liabilities	**(6.6)**
Lease liabilities	**(26.3)**
Net identifiable assets	**77.9**
Non-controlling interests (various)	**(11.6)**
Goodwill on acquisition	**126.7**

Total consideration (including £18.7 million deferred)	**193.0**

80s Casual Classics Limited
On 2 March 2021, JD Sports Fashion Plc acquired 70% of the issued share capital of 80s Casual Classics Limited ('80s CC') for cash consideration of £15.4 million. 80s CC is predominantly an online retailer of retro and original clothing from brands such as adidas and Sergio Tacchini, inspired by the British subculture of the '70s, '80s and '90s. The acquisition included put and call options over the remaining 30% of shares, exercisable in annual tranches after a minimum period of three years.

Included within the fair value of the net identifiable assets on acquisition is an intangible asset of £1.0 million representing the 80s CC fascia name. The Board believes that the excess of consideration paid over net assets on acquisition of £9.0 million is best considered as goodwill representing future operating synergies. As at the date of this report, the period in which measurement adjustments could be made has now closed on this acquisition and no further fair value measurement adjustments have been made.

Included in the 52 week period ended 29 January 2022 was revenue of £13.0 million and a profit before tax of £3.9 million in respect of 80s Casual Classics.

5. Acquisitions (continued)

Prior Period Acquisitions - Other Acquisitions (continued)

Uggbugg Fashion Limited
On 18 June 2021, JD Sports Fashion Plc acquired 51% of the issued share capital of Uggbugg Fashion Limited, including a wholly owned subsidiary, Missy Empire Limited (together 'Missy Empire'), for initial cash consideration of £11.7 million. Additional consideration of up to £2.2 million was payable if certain performance criteria were achieved. The fair value of the contingent consideration as at the acquisition date and as at 29 January 2022 was determined to be £nil.

Included within the fair value of the net identifiable assets on acquisition was an intangible asset of £0.9 million representing the Missy Empire fascia name. At the date of acquisition, the Board believed that the excess of consideration paid over net assets on acquisition of £9.6 million was best considered as goodwill on acquisition representing future operating synergies. As at the date of this report, the period in which measurement adjustments could be made has now closed on this acquisition and no further fair value measurement adjustments have been made. An impairment charge of £10.2 million has been recognised during the period ended 28 January 2023 against the intangibles recorded on acquisition.

Put and call options over 9% of the remaining 49% shareholding were also agreed and became exercisable after the period ending January 2025. In the prior period, a valuation of these put and call options was performed using an earnings multiple, a suitable discount rate and approved forecasts, and the initial liability of £1.4 million was recognised with the corresponding entry to Other Equity in accordance with the present value method of accounting. The present value of these options was required to be estimated at each accounting period date. On 16 December 2022, the Group announced its plan to simplify its fashion branded offer and as a result disposed of Uggbugg Fashion Limited including its subsidiary Missy Empire Limited (see Note 6). As a result of the disposal, these put and call options lapsed and are no longer exercisable.

Included in the 52 week period ended 29 January 2022 was revenue of £6.2 million and a break even result in respect of Missy Empire.

The Watch Shop Holdings Limited and Watch Shop Logistics Ltd
On 18 June 2021, JD Sports Fashion Plc acquired 100% of the issued share capital of The Watch Shop Holdings Limited and Watch Shop Logistics Ltd (together 'WatchShop') via a wholly owned intermediate holding company. Total cash consideration paid was £26.2 million. Contingent consideration is payable subject to certain criteria being met. The fair value of the contingent consideration as at the acquisition date and as at 29 January 2022 was determined to be £nil.

WatchShop is an online retailer of designer fashion watches from brands such as Armani, Michael Kors and Hugo Boss. Included within the fair value of the net identifiable assets on acquisition is an intangible asset of £2.5 million representing the WatchShop fascia name. At the date of acquisition, the Board believed that the excess of consideration paid over net assets on acquisition of £10.6 million was best considered as goodwill on acquisition representing future operating synergies. As at the date of this report, the period in which measurement adjustments could be made has now closed on this acquisition and no further fair value measurement adjustments have been made.

On 16 December 2022, the Group announced its plan to simplify its fashion branded offer and as a result disposed of The Watch Shop Holdings Limited including its subsidiary Watch Shop Logistics Limited (see Note 6).

Included in the 52 week period ended 29 January 2022 was revenue of £19.2 million and a loss before tax of £0.7 million in respect of WatchShop.

Bodytone International Sport S.L.
On 3 August 2021, ISRG, the Group's existing intermediate holding company in Spain, acquired 50.1% of the issued share capital of Bodytone International Sport S.L. ('Bodytone') for initial cash consideration of £8.9 million. Additional consideration of up to £3.1 million was payable if certain performance criteria are achieved and the fair value of this contingent consideration as at the acquisition date and as at 29 January 2022 was determined to be £2.9 million. This was subsequently paid in November 2022.

Based in Murcia in Spain, Bodytone manufactures and distributes professional fitness equipment with a presence in over 40 countries worldwide. ISRG believes that the acquisition of Bodytone will enhance its product categories and improve its specialised sporting goods offer. Included within the fair value of the net identifiable assets on acquisition is an intangible asset of £4.9 million representing the Bodytone name. The Board believes that the excess of consideration paid over net assets on acquisition of £8.8 million was best considered as goodwill on acquisition representing future operating

5. Acquisitions (continued)

Bodytone International Sport S.L. (continued)
synergies. As at the date of this report, the period in which measurement adjustments could be made has now closed on this acquisition and no further fair value measurement adjustments have been made. An impairment charge of £12.4 million has been recognised during the period ended 28 January 2023 against the intangibles recorded on acquisition.

Put and call options over the remaining 49.9% shareholding were also agreed and become exercisable in tranches from 2024 onwards. In the prior period, a valuation of these put and call options was performed using an earnings multiple, a suitable discount rate and approved forecasts, and the initial liability of £11.3 million was recognised with the corresponding entry to Other Equity in accordance with the present value method of accounting. The present value of these options is required to be estimated at each accounting period date.

Included in the 52 week period ended 29 January 2022 was revenue of £7.5 million and a profit before tax of £1.0 million in respect of Bodytone.

Hairburst Holding Group Limited
On 17 September 2021, JD Sports Fashion Plc acquired 75% of the issued share capital of Hairburst Holding Group Limited, including three wholly owned subsidiaries (together 'Hairburst') for cash consideration of £26.2 million.

Hairburst retails own label haircare products and vitamins via a direct to consumer website and as a wholesaler both in the UK and internationally. Included within the fair value of the net identifiable assets on acquisition is an intangible asset of £6.6 million representing the Hairburst name. The Board believed that the excess of consideration paid over net assets on acquisition of £18.1 million was best considered as goodwill on acquisition representing future operating synergies. As at the date of this report, the period in which measurement adjustments could be made has now closed on this acquisition and no further fair value measurement adjustments have been made. An impairment charge £21.6 million has been recognised during the period ended 28 January 2023 against the intangibles recorded on acquisition.

Put and call options over the remaining 25% shareholding have also been agreed and become exercisable in tranches from 2025 onwards. In the prior period, a valuation of these put and call options was performed using an earnings multiple, a suitable discount rate and approved forecasts, and the initial liability of £8.4 million was recognised with the corresponding entry to Other Equity in accordance with the present value method of accounting. The present value of these options is required to be estimated at each accounting period date.

Included in the 52 week period ended 29 January 2022 was revenue of £6.3 million and a profit before tax of £0.1 million in respect of Hairburst.

Wheelbase Lakeland Limited
On 3 June 2021, JD Sports Fashion Plc exchanged contracts on the conditional acquisition of 77.5% of the issued share capital of Wheelbase Lakeland Limited ('Wheelbase'). Completion of the acquisition was subject to obtaining consent for the change in control from the Financial Conduct Authority. This was obtained, the acquisition subsequently completed on 30 September 2021 and the cash consideration paid was £22.2 million.

Operating from three stores on acquisition and a trading website, Wheelbase is firmly established as one of the premier cycling retailers in the UK, and the product offering centres on premium cycles and accessories from key brands such as Cube, Cannondale, Trek and Specialized. Included within the fair value of the net identifiable assets on acquisition was an intangible asset of £1.4 million representing the Wheelbase fascia name. The Board believed that the excess of consideration paid over net assets on acquisition of £18.7 million was best considered as goodwill on acquisition representing future operating synergies. As at the date of this report, the period in which measurement adjustments could be made has now closed on this acquisition and no further fair value measurement adjustments have been made. An impairment charge of £18.7 million has been recognised during the period ended 28 January 2023 against the intangibles recorded on acquisition.

Put and call options over the remaining 22.5% shareholding have also been agreed and become exercisable in tranches from 2025 onwards. A valuation of these put and call options was performed using an earnings multiple, a suitable discount rate and approved forecasts, and the initial liability of £4.0 million was recognised with the corresponding entry to Other Equity in accordance with the present value method of accounting. The present value of these options is required to be estimated at each accounting period date.

Included in the 52 week period ended 29 January 2022 was revenue of £4.0 million and a profit before tax of £0.2 million in respect of Wheelbase.

5. Acquisitions (continued)

Prior period acquisitions - Other Acquisitions (continued)

XLR8 Sports Limited
On 19 November 2021, JD Sports Fashion Plc acquired 100% of XLR8 Sports Limited trading as Leisure Lakes Bikes ('Leisure Lakes') for initial cash consideration of £25.6 million plus additional consideration up to a maximum of £15.0 million if certain performance criteria are achieved. The fair value of this contingent consideration as at the acquisition date and as at 29 January 2022 was determined to be £11.2 million. During the 52 week period ended 28 January 2023, £0.7 million of the contingent consideration was paid. The fair value of the contingent consideration as at 28 January 2023 was determined to be £nil and the remaining contingent consideration of £10.5 million was released to the Consolidated Income Statement.

Operating from 10 stores and a trading website, Leisure Lakes is considered to be one of the leading omnichannel retailers of bicycles and bicycle parts, equipment, clothing and accessories, and is a key partner for most of the major brands including Trek, Cube and Specialized. Included within the fair value of the net identifiable assets on acquisition was an intangible asset of £2.5 million representing the Leisure Lakes fascia name. The Board believed that the excess of consideration paid over net assets on acquisition of £25.9 million was best considered as goodwill on acquisition representing future operating synergies. As at the date of this report, the period in which measurement adjustments could be made has now closed on this acquisition and no further fair value measurement adjustments have been made. An impairment charge of £21.1 million has been recognised during the period ended 28 January 2023 against the intangibles recorded on acquisition.

Included in the 52 week period ended 29 January 2022 was revenue of £4.4 million and a loss before tax of £0.3 million in respect of Leisure Lakes.

GymNation
On 24 December 2021, the Group's existing subsidiary JD Sports Gyms Limited ('JD Gyms') acquired 100% of GymNation Limited and its 100% owned subsidiary GymNation LLC (together 'GymNation') for cash consideration of $42.2 million (£31.4 million) and deferred consideration of $6.1 million (£4.5 million). The deferred consideration was initially measured at fair value and subsequently remeasured to fair value at each reporting date until settled. The fair value of deferred consideration recognised at 29 January 2022 was $6.6 million (£4.9 million). The maximum amount of the future payment

consideration recognised at 29 January 2022 was $6.6 million (£4.9 million). The maximum amount of the future payment was £75 million.

On 20 July 2022, a restructure of the GymNation sub-group was completed, resulting in the incorporation of GymNation Holding Limited. GymNation Holding Limited has acquired 100% of the shares in GymNation LLC using monies loaned from JD Gyms and GymNation founder management. The proceeds of the sale of the business by GymNation Limited were transferred back to the Group and GymNation Limited is in the process of being wound down. As a result, the deferred consideration recognised as at 29 January 2022 was replaced with a put and call option liability and JD Gyms has diluted its share in GymNation and now holds a 78.2% share of GymNation Holding Limited, with founder management holding 21.8%. The put and call options, to enable future exit opportunities for the management team, become exercisable from 2025 onwards. We assessed the substance of the put and call option agreement, taking into account the management leaver terms, and concluded that an element of the future option payment is linked to continued future service and will be expensed on a straight-line basis over the service period. A valuation of the remaining put and call option liability has been performed using an earnings multiple, a suitable discount rate and approved forecasts, and the initial liability of £8.9 million has been recognised with the corresponding entry to Other Equity in accordance with the present value method of accounting. The present value of these options is required to be estimated at each accounting period date.

At acquisition, GymNation was a chain of seven gyms in the UAE (six in Dubai and one Abu Dhabi). Included within the fair value of the net identifiable assets on acquisition was an intangible asset of £7.9 million representing the GymNation fascia name. The Board believes that the excess of consideration paid over net assets on acquisition of £21.8 million is best considered as goodwill on acquisition representing future operating synergies. As at the date of this report, the period in which measurement adjustments could be made has now closed on this acquisition and no further fair value measurement adjustments have been made.

Included in the 52 week period ended 29 January 2022 was revenue of £1.3 million and a profit before tax of £0.2 million in respect of GymNation.

Other Prior Period Acquisitions
During the period, the Group made one other small acquisition. This transaction was not material.

Full Period Impact of Prior Period Acquisitions
Had the acquisitions of the entities listed above been effected at 31 January 2021, the revenue and profit before tax of the Group for the 52 week period to 29 January 2022 would have been £8.9 billion and £666.1 million respectively.

Prior Period Acquisition Costs
Acquisition-related costs amounting to £7.9 million have been excluded from the consideration transferred and were recognised as an expense in the prior period, within administrative expenses in the Consolidated Income Statement.

6. Divestments

Footasylum
On 5 August 2022, the Group disposed of its 100% equity interest in Footasylum and its associated subsidiaries to Aurelius Group for a cash consideration of £37.5 million. The subsidiary was classified as held for sale in the 2022 consolidated financial statements (see Note 7). The consideration was received fully in cash in 2022. At the date of disposal, the carrying amounts of Footasylum's net assets were as follows:

	As at 5 August 2022 (unaudited) £m
Intangible assets	**6.7**
Property, plant and equipment	**27.0**
Right-of-use assets	**79.1**
Deferred tax assets	**0.2**
Total non-current assets	**113.0**
Inventories	**36.4**
Trade and other receivables	**24.9**
Cash and cash equivalents	**6.0**
Total current assets	**67.3**
Trade and other payables	**(24.7)**
Other tax and social security	**(3.7)**
Accruals and deferred income	**(19.1)**
Borrowings	**(3.5)**
Lease liabilities	**(15.6)**
Income tax liabilities	**(1.0)**
Total current liabilities	**(67.6)**
Accruals and deferred income	**(5.6)**
Lease liabilities	**(59.8)**
Total non-current liabilities	**(65.4)**
Total assets less total liabilities	**47.3**
Total consideration received in cash	**37.5**
Net assets disposed of	**(47.3)**
Costs to sell	**(5.0)**
Loss on disposal	**(14.8)**
Total consideration received in cash	**37.5**
Cash and cash equivalents disposed of	**(6.0)**
Net cash received	**31.5**

In the 26 weeks to 30 July 2022, an impairment of £8.5 million was recognised in order to present the Footasylum assets held-for-sale at the lower of carrying value and fair value less costs to sell in accordance with IFRS 5. A further £6.3 million loss has been recognised following the reversal of £8.3 million of right-of-use assets depreciation in order to cease depreciating these assets at the point of classification as held-for-sale in accordance with IFRS 5 and the release of a £2.0 million provision for costs to sell that is no longer required. This resulted in a higher loss on disposal of the assets of £14.8 million when compared to the impairment of £8.5 million recognised in the 26 week period ended 30 July 2022.

6. Divestments (continued)

Other non-core fashion businesses

On 16 December 2022, the Group announced its plan to significantly simplify its fashion branded offer through the divestment of 15 UK-based non-core fashion businesses ('Divested Businesses') to Frasers Group Plc ('Frasers'), for cash consideration of £44.5 million, in order to focus more fully on the opportunities across the rest of the Group, in particular the international and digital expansion of the Group's core premium Sports Fashion fascias. Completion on the acquisition of shares in eight of the Divested Businesses, and on the acquisition of all of the debt owing to JD by the Divested Businesses, took place immediately on exchange. The initial eight divested businesses were:

- Base Childrenswear Limited (80% equity interest);
- Dantra Limited (75% equity interest);
- PG2019 Limited (100% equity interest);
- Prevu Studio Limited (100% equity interest);
- Nicholas Deakins Limited (100% equity interest);
- Uggbugg Fashion Limited - including its subsidiary Missy Empire Limited (51% equity interest);
- Clothingsites Holdings Limited - including its subsidiaries Clothingsites.co.uk Limited and Old Brown Bag Clothing Limited (100% equity interest); and
- WHCO Limited - including its subsidiaries The Watch Shop Holdings Limited and Watch Shop Logistics Limited (100% equity interest).

The consideration was received fully in cash during the period. At the date of disposal, the carrying amounts of the initial eight divested businesses net assets were as follows:

	As at 16 December 2022 (unaudited) £m
Intangible assets	**22.6**
Property, plant and equipment	**3.9**
Right-of-use assets	**6.5**
Total non-current assets	**33.0**
Inventories	**29.8**
Trade and other receivables	**8.5**
Cash and cash equivalents	**16.4**
Total current assets	**54.7**
Trade and other payables	**(19.7)**
Provisions	**(0.1)**
Borrowings	**(11.6)**
Lease liabilities	**(7.4)**
Income tax liabilities	**(0.3)**
Total current liabilities	**(39.1)**
Other payables and accrued expenses	**(1.5)**
Total non-current liabilities	**(1.5)**
Total assets less total liabilities	**47.1**
Total consideration received in cash	**44.5**
Intercompany debt	**(86.0)**
Net assets disposed of	**(47.1)**
Costs to sell	**(0.6)**
Impairment of assets held-for-sale (Note 7)	**(17.5)**
Loss on disposal	**(106.7)**

6. Divestments (continued)

Other non-core fashion businesses (continued)

Total consideration received in cash	**44.5**
Cash and cash equivalents disposed of	**(16.4)**
Net cash received	**28.1**

The assets and liabilities of the remaining seven businesses were classified as held-for-sale at 28 January 2023 (see Note 7). Subsequent to the period end, on 7 February 2023, the Group completed the disposal of five of these businesses.

- Tessuti Group Limited (100% equity interest) - including its subsidiaries Tessuti Limited (87.5% equity interest), Tessuti (Ireland) Limited (87.5% equity interest), Tessuti Retail Limited (100% equity interest), Prima Designer Limited (100% equity interest);
- Choice Limited (87.5% equity interest) - including its subsidiary Choice 33 Limited (87.5% equity interest);
- Giulio Limited (87.5% equity interest) - including its subsidiaries Giulio Fashion Limited (87.5% equity interest), Giulio Woman Limited (87.5% equity interest);
- R.D. Scott Limited (100% equity interest); and
- Catchbest Limited (80% equity interest)

- Catchbest Limited (80% equity interest).

Rascal Clothing Limited ('Rascal') was withdrawn from the transaction with Frasers as one of the founders exercised a pre-emption right agreed as part of the Group's acquisition of Rascal on 5 February 2019. The divestment of 75% equity interest in Rascal completed on 6 February 2023.

On 2 March 2023, the Group completed the disposal of 80% equity interest in Topgrade Sportwear Holdings Limited (including Topgrade Sportswear Limited and GetTheLabel.com Limited) the final entity outstanding as part of the Frasers transaction.

Impairment review of Divested Businesses
As at 29 January 2022, the Divested Businesses were still a key part of the Group's strategy and, as part of our annual impairment review procedures, the Group concluded that the assets of these businesses were not impaired. The step change in the Group's strategy occurred in the second half of 2022/23 following a strategic review by the incoming Chief Executive Officer. The Directors have therefore concluded that the assessment completed for the period ended 29 January 2022 remains appropriate.

Divestment of other non-controlling interests
During the period ended 28 February 2023, JD Sports Fashion Plc divested 5% of Kukri Sports Limited and 10% of JD Canary Islands Sports SL as a result of options exercised by non-controlling interests in the subsidiaries. In accordance with IFRS 10, the Group had previously assessed and concluded that it controlled the subsidiaries. As the divestment does not result in a change of control, this has been accounted for as an equity transaction.

7. Held-for-sale

Footasylum
Transaction History
On 18 February 2019, JD Sports Fashion Plc acquired 19,579,964 Footasylum Plc shares at prices between 50 pence and 75 pence per share, representing 18.7% of the issued ordinary share capital.

On 18 March 2019, in conjunction with the Board of Footasylum Plc, JD Sports Fashion Plc announced the terms of an offer to be made for the remaining 81.3% of the ordinary share capital of Footasylum at a price of 82.5 pence per ordinary share. This offer was declared unconditional in all respects on 12 April 2019 with acceptances received for a total of 78,176,481 shares representing a further 74.8% of the issued ordinary share capital. On 26 April 2019, the first bulk transfer was made to acquire an additional 80.5 million shares (in addition to the 19.5 million already owned). The formal process to acquire the remaining Footasylum shares (incl. the dissenting shareholders) was completed on 4 June 2019. Footasylum was delisted on 16 May 2019 and converted from an unlisted Plc to a private company on 19 September 2019.

Hold Separate Order and Consolidation
On 17 May 2019, JD Sports Fashion Plc received a 'hold separate' enforcement order from the CMA regarding the Footasylum acquisition.

In accordance with IFRS 10 'Consolidated Financial Statements', an investor controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Whilst this transaction was being reviewed by the CMA, the Directors of JD Sports Fashion Plc have assessed whether the Group had control over Footasylum and could therefore consolidate the results of Footasylum. In making their judgement, the Directors considered that there was a simultaneous exchange and completion on the transaction and completion was not conditional on the outcome of the CMA review. The risks and rewards ultimately rested with JD Sports Fashion Plc as legal owner and there would be no pass through to the former shareholders. This evidences that the Group had exposure, or rights, to variable returns from its involvement with the investee. Further, the Group had the power of veto over strategic decision making. After careful consideration, the Directors concluded that the consolidation of Footasylum into the Group financial statements from the date of acquisition was appropriate and was disclosed as a critical accounting judgement in the accounting policies.

Held-for-sale
On 4 November 2021, the final ruling from the CMA was to prohibit the Group's acquisition of Footasylum. The final CMA undertakings were issued on 14 January 2022 which was effectively the start date for the Footasylum sale process. Footasylum was classified as held-for-sale as at 29 January 2022 as:

- the carrying amount of Footasylum was expected to be recovered through the sale transaction;
- it was available for sale in its present condition;
- the Group had committed to sell Footasylum and this sale plan had been initiated;
- Footasylum was being actively marketed at a price that was reasonable in relation to its fair value; and
- there was an expectation that the sale process would be completed within 12 months of the classification as held-for-sale.

7. Held-for-sale (continued)

Footasylum (continued)
Assets and Liabilities of Footasylum held-for-sale
As at 29 January 2022 and prior to disposal, Footasylum was stated at the lower of its carrying value (excluding cash and cash equivalents) and fair value less costs to sell in accordance with IFRS 5. Cash and cash equivalents as at 29 January 2022 of £27.2 million were presented within the Group's cash and cash equivalents.

	As at 28 January 2023 (unaudited) £m	As at 29 January 2022 £m
Intangible assets	-	4.7
Property, plant and equipment	-	25.2
Deferred tax assets	-	0.2
Right-of-use assets	-	78.5
Inventories	-	27.0
Trade and other receivables	-	21.5
Assets held-for-sale	-	157.1

	As at 28 January 2023 (unaudited) £m	As at 29 January 2022 £m
Trade and other payables	-	(57.5)
Lease liabilities	-	(82.0)
Income tax liability	-	(2.9)
Deferred tax liability	-	(0.2)
Liabilities held-for-sale	-	(142.6)

On 29 July 2022, JD Sports Fashion Plc exchanged contracts to sell Footasylum and its associated subsidiaries to Aurelius Group for cash consideration of £37.5 million. The transaction subsequently completed on 5 August 2022.

Non-core Fashion Businesses
On 16 December 2022, the Group announced its plan to significantly simplify its fashion branded offer through the divestment of 15 UK-based non-core fashion businesses to Frasers Group Plc in order to focus more fully on the opportunities across the rest of the Group, in particular the international and digital expansion of the Group's core premium Sports Fashion fascias.

At 28 January 2023, the sale of seven of the 15 businesses had not completed and therefore were held-for-sale at the period end. In addition, the Group agreed to the sale of Source Lab to its non-controlling interest pre period end and this completed on 28 February 2023. Therefore this business was also held-for-sale as at 28 January 2023.

The businesses have been classified as held-for-sale as at 28 January 2023 as:

- the carrying amount of the non-core fashion businesses will be recovered through the sale transaction;
- the Group has committed to sell the businesses and this sale plan has been initiated; and
- there is an expectation that the sale process would be completed within 12 months of the classification as held-for-sale.

7. Held-for-sale (continued)

Discontinued Operations
The presentation of an operation as a discontinued operation is limited to a component of an entity that either has been disposed of or is classified as held-for-sale, and:

- represents a separate major line of business or geographic area of operations; and
- is part of a single co-ordinated plan to dispose of a separate major line of business or geographic area of operations, or is a subsidiary acquired exclusively with a view to resale.

The businesses disposed of during the period are subject to individual plans and can be distinguished operationally and for financial reporting purposes. However, the Group has other subsidiaries and operations within the Sports Fashion segment in the UK, and therefore these disposals do not represent a separate major line of business or geographic area for the Group. The disposal of these entities should not be classified as discontinued operations but the Group is required to disclose the impact of the disposal.

Assets and Liabilities of Non-Core Fashion Businesses Held-for-Sale
As at 28 January 2023, the non-core fashion businesses and Source Lab were held at the lower of carrying value or fair value less costs to sell (excluding cash and cash equivalents). A reconciliation is provided in the table below. Cash and cash equivalents as at 28 January 2023 of £74.5 million have been presented within the Group's cash and cash equivalents in accordance with IFRS 5.

	Non-core fashion businesses £m	Source Lab £m	As at 28 January 2023 (unaudited) £m
Intangible assets	9.2	-	**9.2**
Property, plant and equipment	17.1	0.1	**17.2**
Inventories	51.9	0.8	**52.7**
Trade and other receivables	11.9	1.2	**13.1**
Right-of-use assets	30.8	-	**30.8**
Assets held-for-sale	120.9	2.1	**123.0**

	Non-core fashion businesses (unaudited) £m	Source Lab (unaudited) £m	As at 28 January 2023 (unaudited) £m
Trade and other payables	(131.7)	(1.4)	**(133.1)**
Provisions	(0.4)	-	**(0.4)**
Lease liabilities	(32.1)	-	**(32.1)**
Liabilities held-for-sale	(164.2)	(1.4)	**(165.6)**

Reconciliation to lower of fair value less costs to sell or carrying value	Non-core fashion businesses (unaudited) £m	Source Lab (unaudited) £m	As at 28 January 2023 (unaudited) £m
Net (liabilities) / assets held-for-sale	(43.3)	0.7	**(42.6)**
Cash and cash equivalents	72.2	2.3	**74.5**
Intercompany liabilities currently eliminating on consolidation	(8.4)	(1.5)	**(9.9)**
Impairment to lower of fair value less costs to sell	(17.5)	-	**(17.5)**

Cash consideration due to be received on completion	3.0	1.5	**4.5**

8. Provisions

A provision is recognised in the Consolidated Statement of Financial Position when the Group has a present legal or constructive obligation as a result of a past event, it is more likely than not that an outflow of economic benefits will be required to settle the obligation and the obligation can be estimated reliably.

Property Provision
Within the property provision, management has provided for expected dilapidations on stores and warehouses. This provision covers expected dilapidation costs for any lease considered onerous, any related to stores recently closed, stores which are planned to close or are at risk of closure and those under contract but not currently in use. Management maintains all properties to a high standard and carry out repairs whenever necessary during the Group's tenure. Therefore, if there is no risk of closure, any provision would be minimal and management does not consider it necessary to hold dilapidation provisions for these properties.

Other Provisions
Other provisions comprises various other trade provisions and legal costs. The provisions are estimated based on accumulated experience, supplier communication and management approved forecasts.

Onerous Contract Provision
Within the onerous contract provision, management has provided against the minimum contractual cost for the remaining term on a non-cancellable logistics services contract for the Azambuja warehouse in Portugal within the SportZone division. The provision will be unwound over the remaining seven year period ending 30 September 2030**.**

	Property provision £m	Other provisions £m	Onerous contract provision £m	**Total (unaudited) £m**
Balance at 30 January 2021	-	-	5.8	**5.8**
Provisions reclassified from accruals	11.2	14.2	-	**25.4**
Provisions released during the period	(2.0)	(6.7)	(0.7)	**(9.4)**
Provisions created during the period	9.4	5.0	-	**14.4**
Provisions utilised during the period	(0.4)	(2.7)	-	**(3.1)**
Balance at 29 January 2022	18.2	9.8	5.1	**33.1**
Provisions reclassified from accruals	0.9	-	-	**0.9**
Provisions acquired in the period	0.5	-	-	**0.5**
Provisions transferred to held-for-sale (Note 7)	(0.4)	-	-	**(0.4)**
Provisions divested in the period (Note 6)	(0.1)	-	-	**(0.1)**
Provisions released during the period	(1.5)	(6.5)	(0.8)	**(8.8)**
Provisions created during the period	4.5	1.8	-	**6.3**
Provisions utilised during the period	(0.7)	-	-	**(0.7)**
Balance at 28 January 2023	**21.4**	**5.1**	**4.3**	**30.8**

Provisions have been analysed between current and non-current as follows:

	2023 (unaudited) £m	2022 £m
Current	**9.7**	13.2
Non-current (within 10 years)	**21.1**	19.9
Total provisions	**30.8**	33.1

9. Contingent Liabilities

The activities of the Group are overseen by a number of regulators around the world and, whilst the Group strives to ensure full compliance with all its regulatory obligations, periodic reviews are inevitable which may result in a financial penalty. If the risk of a financial penalty arising from one of these reviews is more than remote but not probable or cannot be measured reliably then the Group will disclose this matter as a contingent liability. If the risk of a financial penalty is considered probable and can be measured reliably then the Group would make a provision for this matter.

CMA Investigation
On 23 September 2021, the Competition and Markets Authority (CMA) launched an investigation under section 25 of the Competition Act 1998 into suspected breaches of competition law by Leicester City Football Club Limited and JD Sports Fashion Plc, together with their affiliates. The Group continues to co-operate fully with the CMA.

The CMA has not issued a statement of objections or an infringement decision to any party under investigation. Therefore, at this stage, it is not possible to determine with sufficient certainty that a liability will ultimately arise. The CMA has indicated that it will publish a further update in June 2023.

ICO Investigation
On 30 January 2023, the Group announced that it had been the target of a cyber incident which resulted in the unauthorised access to a system that contained customer data relating to some online orders placed between November 2018 and October 2020. Whilst the affected data was limited, the Group took the necessary immediate steps to investigate and respond to the incident, including working with leading cyber security experts. The Group also engaged with the relevant authorities, including the UK's Information Commissioner's Office (ICO), as appropriate.

The ICO have now formally advised that they will not be taking any enforcement action in respect of this incident although they have highlighted several areas where they believe JD needs to demonstrate improvement. The Group is committed to addressing these recommendations at pace. At this stage, no other regulatory body has indicated that it intends to take any enforcement action although the Group is aware that not all of the relevant regulators have concluded their investigations. The Group will continue to co-operate fully with the relevant global regulatory bodies, including the ICO, on all appropriate matters.

10. Post Balance Sheet Events

Acquisitions and Divestments
Proposed acquisition of Group Courir
On 8 May 2023, the Group entered into exclusive negotiations with the owners of Groupe Courir S.AS ('Courir') with regards to the potential future acquisition of 100% of the issued share capital of Courir for an enterprise value of €520 million ('Transaction'). In accordance with French law, Courir management will now commence consultation processes with its relevant employee representative bodies prior to being able to enter into a binding sale and purchase agreement for the Transaction. The Transaction will need to be notified to the European Commission in accordance with European Union Law. Completion of the acquisition is therefore conditional on receipt of merger control approval. Given the potential timings associated with the consultation and competition assessment processes, completion of the Transaction would not be expected before the second half of 2023. After deducting net debt of €195 million, the amount payable at completion, subject to certain adjustments, would be €325 million which would be funded through available cash resources. The net debt of €195 million in Courir principally constitutes existing funding lines of approximately €210 million which would be refinanced at completion.

Based in France, Courir is a leading player in the European sports footwear and apparel sector with 313 stores bannered as Courir across six countries in Europe. In addition, there are a further 36 stores which trade under franchise agreements as Courir in North West Africa, Middle East and French overseas territories. Further, there are two stores which trade as Naked in Denmark which is an elevated female sneaker business. At the Group's recent Capital Markets Event, we emphasised the importance of 'Complementary Concepts' to leverage our existing premium concepts, including JD. This proposed acquisition is in line with that growth strategy as Courir operates stores with a primary focus on a female consumer. The senior management team and operational infrastructure of Courir would be retained and it is the intention that Courir would maintain its identity and would run autonomously from JD's French operations. Leveraging Courir's extensive knowledge in managing female oriented stores would significantly broaden the capabilities and global opportunities across the Group.

For the 52 week period ended 31 December 2022, Courir had consolidated revenues of €609.8 million which included €100.3 million from the combination of the sale of product on a commission basis to the affiliates and other commission income from franchisees, a profit before interest and tax of €47.4 million and gross assets of €678.4 million.

10. Post Balance Sheet Events (continued)

Buy or Sell Notice re Iberian Sports Retail Group, S.L. ('ISRG')
Following the receipt of a formal buy / sell notice from Balaiko Firaja Invest, S.L. and Sonae Holdings, S.A. (together the 'Minority Parties'), who collectively hold 49.98% of Iberian Sports Retail Group, S.L. ('ISRG'), the Group is now engaged in formal discussions with the Minority Parties with regards to the future ownership structure of ISRG, including the JD shareholding held by ISRG. There are three possible outcomes from this process although it is expected to be later in the summer before there is clarity as to which outcome will be progressed by the parties:

- The Group acquires the 49.98% holding in ISRG currently held by the Minority Parties.
- The Minority parties acquire the Group's 50.02% holding in ISRG and the Group simultaneously acquires the Minority parties interest in JD across Iberia. This would result in the divestment of the Sprinter, Sport Zone, Deporvillage and Bodytone businesses in Iberia together with the Sprinter, Aktiesport and Perry Sport businesses in the Netherlands. Based on the indicative values for this outcome, there are no indicators of impairment in respect of either the Group's investment in ISRG or its subsidiaries, or the net assets included on consolidation in the financial statements of the Group as at 28 January 2023.
- No change to existing shareholdings.

Divestment of non-core fashion businesses
Subsequent to the financial period end, the Group completed the sale of eight non-core fashion businesses as follows:
- On 6 February 2023, the Group completed the sale of Rascal Clothing Limited following the exercise of a pre-emption right by one of the founders.
- On 7 February 2023, the Group formally completed the divestment of Tessuti (including Xile), Scotts, Choice, Giulio and Cricket to Frasers Group Plc as per the terms of the transaction agreed on 16 December 2022.
- On 28 February 2023, the Group completed the divestment of Source Lab Limited to its non-controlling shareholder.
- On 2 March 2023, the Group formally completed the divestment of Topgrade to Frasers Group Plc as per the terms of the transaction agreed on 16 December 2022.

Details of the sale of the seven businesses to Frasers Group Plc which exchanged on 16 December 2022 are provided in Note 6 Divestments. The assets and liabilities of these entities were classified as held-for-sale as at the financial period end along with Source Lab Limited which was sold to its non-controller shareholder after the financial period end (see Note 7).

Other acquisitions and divestments
Further, the Group has also completed the following, subsequent to the financial period end:
- On 9 March 2023, the Group completed the divestment of Woodlandslove Limited to Frasers Group Plc as a result of a separate agreement to the sale of the businesses agreed on 16 December 2022.
- The Group has completed the acquisition of the remaining 40% shareholding of Tiso Group Limited and its subsidiaries and the remaining 20% shareholding of JD Sports Fashion Germany GmbH. The Group now owns 100% of these entities. Further, the Group has also completed the acquisition of an additional 1% of the share capital of JD Sports Gyms Limited. The Group now owns 95% of JD Sports Gyms Limited. These transactions were not material.

Appointment of Non-Executive Directors
On 9 March 2023, the Group appointed Ian Dyson as a Non-Executive Director. Ian will join the Audit & Risk Committee and the Remuneration Committee. In addition, Angela Luger, formerly CEO of N Brown Group Plc and Darren Shapland, currently Chair of Topps Tiles Plc will join the Board as of 1 June 2023. Angela will join the Remuneration Committee and Darren will join the Audit & Risk Committee, with effect from the date of their appointment.

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[1] On 20 December 2022, a total of 25,000,000 ordinary shares of 0.05 pence each were issued at par. The shares were delivered to the JD Sports Employee Benefit Trust ('Trust') and were issued, in part to satisfy a buyout award due to Régis Schultz, the Group's Chief Executive Officer with an effective date of 5 September 2022. The remainder of the new shares shall be held by the Trust in connection with the Long-Term Incentive

Plan 2022.

END

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