

# **SPORTS DIRECT INTERNATIONAL PLC**

(Incorporated and registered in England and Wales under number 06035106)

## **Notice of Annual General Meeting**

Wednesday 12 September 2018 at 11.00am

THIS DOCUMENT IS IMPORTANT and requires your immediate attention. If you are in any doubt as to what action to take in relation to the AGM, you should consult your stockbroker, bank, solicitor, accountant, fund manager or other independent financial advisor authorised under the Financial Services and Markets Act 2000. If you have sold or otherwise transferred all of your shares in Sports Direct International plc, you should immediately send this document together with the accompanying form of proxy to the stockbroker, bank or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

# NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 2018 Annual General Meeting (the "AGM") of Sports Direct International plc (the "Company") will be held at Academy House, 36 Poland St, London W1F 7LU on Wednesday 12 September 2018 at 11.00am to consider the following resolutions. Resolutions 14, 15 and 17 will be proposed as special resolutions, requiring not less than 75% of the votes cast to be in favour to be passed. All other resolutions will be proposed as ordinary resolutions, requiring more than 50% of the votes cast to be in favour to be passed. Voting on all of the proposed resolutions at the AGM will be conducted on a poll rather than on a show of hands.

## **RESOLUTION 1:**

That the audited accounts and the reports of the Directors and of the auditors for the financial year ended 29 April 2018 be received.

## **RESOLUTION 2:**

That the Directors' Remuneration Report (including the statement by the Chair of the Remuneration Committee, but excluding the Directors' Remuneration Policy) for the financial year ended 29 April 2018 be received and approved.

## **RESOLUTION 3:**

That the Directors' Remuneration Policy set out within the Directors' Remuneration Report for the financial year ended 29 April 2018, be approved and take effect from the date of the approval of this resolution.

## **RESOLUTION 4:**

That Keith Hellawell be re-elected as a Director.

## **RESOLUTION 5:**

That Mike Ashley be re-elected as a Director.

## **RESOLUTION 6:**

That Simon Bentley be re-elected as a Director.

## **RESOLUTION 7:**

That David Brayshaw be re-elected as a Director.

## **RESOLUTION 8:**

That Jon Kempster be elected as a Director.

## **RESOLUTION 9:**

That David Daly be elected as a Director:

## **RESOLUTION 10:**

That Grant Thornton UK LLP be re-appointed as the Company's auditors, to hold office until the conclusion of the next Annual General Meeting of the Company.

## **RESOLUTION 11:**

That the Directors be authorised to determine the remuneration of the auditors.

## **RESOLUTION 12:**

That the Board be and hereby is generally and unconditionally authorised, pursuant to section 551 of the Companies Act 2006 (the "Act"), to exercise all the powers of the Company to allot shares in the Company and to grant rights to subscribe for or to convert any security into shares in the Company with an aggregate nominal value of up to £17,898,977 and so that the Board may impose any limits or restrictions and make any arrangements which it considers necessary or appropriate to deal with treasury shares, fractional entitlements, record dates, legal, regulatory or practical problems in, or under the laws of, any territory or any other matter, provided that this authority shall expire

at the close of the next Annual General Meeting of the Company, save that the Company may before such expiry make offers and enter into agreements which would, or might, require shares in the Company to be allotted or rights to subscribe for or convert any security into shares to be granted after this authority expires and the Board may allot shares in the Company and grant rights under any such offer or agreement as if this authority had not expired.

**RESOLUTION 13:**

That, in addition to resolution 12, the Board be and hereby is generally and unconditionally authorised, pursuant to section 551 of the Act, to exercise all the powers of the Company to allot shares in the Company and to grant rights to subscribe for or to convert any security into shares in the Company comprising equity securities, as defined in the Act, with an aggregate nominal value of up to £35,797,955 (including within such limit any shares issued under resolution 12) in connection with an offer by way of a rights issue:

- a. to ordinary shareholders in proportion (as nearly as may be practicable) to their existing holdings; and
- b. to people who are holders of other equity securities if this is required by the rights of those securities or, if the Board considers it necessary, as permitted by the rights of those securities,

and so that the Board may impose any limits or restrictions and make any arrangements which it considers necessary or appropriate to deal with treasury shares, fractional entitlements, record dates, legal, regulatory or practical problems in, or under the laws of, any territory or any other matter, provided that this authority shall expire at the close of the next Annual General Meeting of the Company, save that the Company may before such expiry make offers and enter into agreements which would, or might, require shares in the Company to be allotted or rights to subscribe for or convert any security into shares to be granted after this authority expires and the Board may allot shares in the Company and grant rights under any such offer or agreement as if this authority had not expired.

**RESOLUTION 14: (TO BE PROPOSED AS A SPECIAL RESOLUTION)**

That the Board be and hereby is empowered pursuant to section 570 and 573 of the Act to allot equity securities (within the meaning of section 560 of the Act) for cash pursuant to the authority given by resolutions 12 and 13 (as applicable) and/or where the allotment constitutes an allotment of equity securities by virtue of section 560(2) of the Act as if section 561(1) of the Act did not apply to such allotment provided that this power shall be limited:

- a. to the allotment of equity securities in connection with an offer of equity securities (but in the case of the authority granted under resolution 13, by way of a rights issue only):
  - i. to ordinary shareholders in proportion (as nearly as may be practicable) to their existing holdings; and
  - ii. to people who are holders of other equity securities, if this is required by the rights of those or if the Board considers it necessary, as permitted by the rights of those securities,

and so that the Board may impose any limits or restrictions and make any arrangements which it considers necessary or appropriate to deal with treasury shares, fractional entitlements, record dates, legal, regulatory or practical problems in, or under the laws of, any territory or any other matter; and

- b. in the case of the authority granted under resolution 12, to the allotment (otherwise than under 14(a) above) of equity securities with an aggregate nominal value of up to £2,684,846.60; and provided further that this power shall expire at the close of the next Annual General Meeting of the Company, save that the Company may before such expiry make offers and enter into agreements which would, or might, require equity securities to be allotted after this power expires and the Board may allot equity securities under any such offer or agreement as if this power had not expired.

## NOTICE OF ANNUAL GENERAL MEETING

Continued

### **RESOLUTION 15: (TO BE PROPOSED AS A SPECIAL RESOLUTION)**

That subject to the passing of resolutions 12, 13 and 14 (as applicable), and in addition to the power given to it pursuant to resolution 14, the Board be generally empowered pursuant to section 570 and section 573 of the Act to allot equity securities (within the meaning of section 560 of the Act) for cash, pursuant to the authority conferred by resolutions 12 and 13 (as applicable) as if section 561(1) of the Act did not apply to such allotment provided that this power shall be limited to the allotment of equity securities for cash up to an aggregate nominal amount of £ 2,684,846.60 and provided that the allotment is for the purposes of financing (or refinancing, if the power is used within six months of the original transaction) a transaction which the Board determines to be an acquisition or other capital investment of a kind contemplated by the Statement of Principles on Disapplying Pre-emption Rights most recently published by the Pre-emption Group prior to the date of this notice, and provided further that this power shall expire at the close of the next Annual General Meeting of the Company, save that the Company may before such expiry make offers and enter into agreements which would, or might, require equity securities to be allotted after this power expires and the Board may allot equity securities under any such offer or agreement as if this power had not expired.

### **RESOLUTION 16:**

That the Company be and hereby is generally and unconditionally authorised, in accordance with section 701 of the Act, to make market purchases (within the meaning of section 693(4) of the Act) of ordinary shares of 10p each in the Company subject to the following conditions:

- a. the maximum aggregate number of ordinary shares authorised to be purchased is 80,491,701 representing approximately 14.99% of the Company's issued ordinary share capital (excluding shares held in treasury);
- b. the minimum price (exclusive of expenses) which may be paid for an ordinary share is 10p (being the nominal value of an ordinary share);
- c. the maximum price (exclusive of expenses) which may be paid for each ordinary share is the higher of:
  - i. an amount equal to 105% of the average of the middle market quotations for the ordinary shares in the Company as derived from the London Stock Exchange Daily Official List for the five business days immediately preceding the day on which the share is contracted to be purchased; and
  - ii. an amount equal to the higher of the price of (i) the last independent trade of an ordinary share; and (ii) the highest current independent bid for an ordinary share in the Company as derived from the London Stock Exchange Trading System;
- d. unless previously renewed, varied or revoked, this authority shall expire at the close of the next Annual General Meeting of the Company; and
- e. a contract to purchase shares under this authority may be made prior to the expiry of this authority, and concluded in whole or in part after the expiry of this authority.

### **RESOLUTION 17: (TO BE PROPOSED AS A SPECIAL RESOLUTION)**

That a general meeting other than an Annual General Meeting may be called on not less than 14 clear days' notice.

**RESOLUTION 18:**

That the Company be and hereby is generally and unconditionally authorised for the purposes of section 366 of the Act:

- a. to make donations to EU political organisations (as defined in section 364 of the Act) not exceeding £50,000 in total; and
- b. to incur EU political expenditure (as defined in section 365 of the Act) not exceeding £50,000 in total,

for the period expiring at the conclusion of the next Annual General Meeting of the Company.

By Order of the Board

**Company Secretary**

18 July 2018

Sports Direct International plc

Registered office: Unit A, Brook Park East, Shirebrook, NG20 8RY, United Kingdom

Registered in England and Wales under company no: 06035106

# NOTICE OF ANNUAL GENERAL MEETING

## Explanatory notes

### **RESOLUTION 1: TO RECEIVE THE ANNUAL REPORT AND ACCOUNTS FOR 2017-18**

The Directors are required to present to the AGM the audited accounts, and the reports of the Directors and auditors, for the financial year ended 29 April 2018. These are contained in the Company's Annual Report and Accounts 2018 (the "Annual Report").

### **RESOLUTIONS 2 AND 3: TO APPROVE THE DIRECTORS' REMUNERATION REPORT AND THE DIRECTORS' REMUNERATION POLICY**

These resolutions seek approval for the Directors' Remuneration Policy, the Annual Report on Remuneration and the Annual Statement by the Chair of the Remuneration Committee, which together form the Directors' Remuneration Report for the financial year ended 29 April 2018. The Directors' Remuneration Report is set out on pages 115 to 128 of the Annual Report and Accounts. The Directors' Remuneration Policy is subject to a binding shareholder vote at least every three years. The Annual Report on Remuneration and Statement of the Chair of the Remuneration Committee are subject to a separate annual advisory vote.

Resolution 2 approves the Directors' Remuneration Report, other than the part containing the Directors' Remuneration Policy, for the financial year ended 29 April 2018. This vote is advisory and will not affect the way in which the pay policy has been implemented or the future remuneration of any Director. The changes to the Directors' Remuneration Policy are minor, and ensure the Remuneration Policy remains fit for purpose. The changes are detailed on pages 118 to 120 of the Annual Report and Accounts. If resolution 3 is passed, the Directors' Remuneration Policy will take effect from the date of its adoption. A remuneration policy will be put to shareholders again no later than the Annual General Meeting in 2021.

### **RESOLUTIONS 4 TO 9: ELECTION AND RE-ELECTION OF DIRECTORS**

In accordance with the provisions of the UK Corporate Governance Code, all Directors will retire at each AGM. This year Keith Hellawell, Mike Ashley, Simon Bentley and David Brayshaw are standing for re-election. Jon Kempster and David Daly will put themselves forward for election by shareholders for the first time since their appointments on 11 September 2017 and 2 October 2017 respectively. The Board believes that the Directors continue to demonstrate commitment to their role, are effective members of the Board, and contribute to the required balance of skills, knowledge and experience identified by the Board.

In compliance with the UKLA Listing Rules relating to controlling shareholders, the re-election of our Non-Executive Directors must be approved by a majority of both:

1. the shareholders of the Company; and
2. the independent shareholders of the Company (that is the shareholders other than Mike Ashley and his concert parties).

For the purposes of the UKLA Listing Rules, Mike Ashley is a controlling shareholder as a result of him holding 330,000,000 shares in the Company on 18 July 2018 (the last available day before printing of this notice) (the "Printing Date").

Resolutions 4, 6, 7 and 9 are proposed as ordinary resolutions and can be voted on by all shareholders of the Company. However, in addition to this, the votes cast by independent shareholders will be counted separately in order to assess whether the second tier of the test is satisfied.

In accordance with the UKLA Listing Rules, if any of resolutions 4, 6, 7 and 9 are not approved by a majority of both shareholders of the Company and independent shareholders of the Company, the failed resolution may be put to shareholders of the Company, at a general meeting, which must be held between 90 and 120 days from the date of the original vote (being 12 September 2018).

In such circumstances, any Non-Executive Director(s) whose appointment has not been approved by both shareholders of the Company and independent shareholders of the Company will be treated as having been re-elected from the date of the original vote until either the date when they are re-elected, being the date of the subsequent general meeting, or the date of any announcement by the Board that the Non-Executive Director(s) does not intend to stand for re-election. If a subsequent general meeting does not take place, the appointment will be treated as ceasing 120 days from the date of the original vote. If a subsequent general meeting does take place and the further resolution is approved, the Non-Executive Director(s) will be treated as having been re-elected until the following Annual General Meeting of the Company. However, if at a subsequent general meeting the further resolution fails, the Non-Executive Director(s) appointment will cease on that date.

Information about the Directors is set out below.

The UKLA Listing Rules require companies with a controlling shareholder to make the following additional disclosures about each independent director's relationships, independence, effectiveness and appointments:

**Relationships and transactions:** The Company has received confirmation from each of the independent directors that, other than their respective letters of appointment as a director by the Company, there are no existing or previous relationships (with the exception of David Daly's, as outlined on page 113 of the Annual Report), transactions or arrangements between any of the independent directors and the Company, its Directors, Mike Ashley or any associate of Mike Ashley.

**Effectiveness:** The Board believes that each of the independent directors continues to demonstrate commitment to his role and is an effective member of the Board.

**Independence:** Each year the Board performance evaluations consider the independence of each member of the Board. The Board believes that each independent director remains independent in character and judgement, and that there are no relationships or circumstances that are likely to affect, or appear to affect, his judgement.

**Selection:** As disclosed in the report of the Nomination Committee on pages 113 to 114 of the Annual Report, the Nomination Committee aims to ensure that the Board remains balanced, knowledgeable and diverse in order to meet the needs of the Company. The Nomination Committee draws candidates from its internal and external network, taking into account where appropriate recommendations from shareholders and external recruitment consultants.

#### **RESOLUTION 4: THAT KEITH HELLAWELL BE RE-ELECTED AS A DIRECTOR**

Keith Hellawell is the Chairman of the Board and has a wealth of experience in private sector management serving as a Non-Executive Chairman or Director of a number of diverse companies including:- 1998/99 Evans of Leeds (property), 2003/2006 Dalkia plc (energy) and 2004/2006 Sterience Limited (sterilisation plants) both subsidiaries of the French Company Veolia Environnement S.A. and 2006/2009 Goldshield Group plc. Prior to this, Keith has over 40 years' experience in public sector management being a former Chief Constable of two British police forces. Between 1998 and 2002, working directly for the Prime Minister, he wrote and coordinated the United Kingdom national and international anti-drugs policy.

#### **RESOLUTION 5: THAT MIKE ASHLEY BE RE-ELECTED AS A DIRECTOR**

Mike Ashley established the business of the Group upon leaving school in 1982 and was the sole owner of the business until the Company's listing in March 2007. Mike is the Chief Executive and is responsible for formulating the vision and strategy of the Group.

## **NOTICE OF ANNUAL GENERAL MEETING**

### **Explanatory notes**

Continued

#### **RESOLUTION 6: THAT SIMON BENTLEY BE RE-ELECTED AS A DIRECTOR**

Simon Bentley was appointed to the Board on 2 March 2007. He is Chairman of the Audit Committee and the Senior Independent Non-Executive Director. Simon qualified as a Chartered Accountant in 1980 and in 1987 joined Blacks Leisure Group plc where he was Chairman and Chief Executive for 12 years. Simon chairs and is on the Board of a range of companies and organisations. Among these, he is Chairman of the hair brand Umberto Giannini and is the principal owner and Chairman of the leading mobile ATM operator Cash on the Move, is a supervisory Board Director of Global Home, a designer and manufacturer of indoor furniture for retailers, based in Vietnam, and is Chairman of Yad Vashem UK Foundation. He has lengthy experience of the sporting goods industry, and maintains the recent and relevant experience necessary to be Chairman of the Audit Committee.

#### **RESOLUTION 7: THAT DAVID BRAYSHAW BE RE-ELECTED AS A DIRECTOR**

David Brayshaw was appointed to the Board on 8 December 2016. David is a very experienced senior investment and commercial banker. He has over 30 years' experience in the field of corporate financing with a number of major financial institutions including Barclays Capital, HSBC, and Citigroup. He also completed time as the Group Treasurer of Pilkington plc.

#### **RESOLUTION 8: THAT JON KEMPSTER BE ELECTED AS A DIRECTOR**

Jon was appointed to the Board on 11 September 2017. Jon is a Chartered Accountant and has been a listed plc Finance Director for most of his career. He was previously Finance Director of Wincanton plc, Delta plc, Low & Bonar plc, Linden plc, fii plc and of AIM listed Utilitywise plc. Jon is a director of JVM Ltd, a private group who have exclusive dealerships to sell construction equipment in Russia. Jon is also a Non-Executive Director of Redcentric plc, an AIM listed IT managed services provider and a Trustee of the Delta Pension Plan.

#### **RESOLUTION 9: THAT DAVID DALY BE ELECTED AS A DIRECTOR**

David was appointed to the Board on 2 October 2017. David has held a number of positions during a 30 year international career with Nike, focussing on the football industry. He started in a sales role in 1986 and retired in 2015 as a Senior Director for Nike's Club and Federation business, responsible for global merchandising business for all of Nike's leading Soccer Clubs. David is a Non-Executive Director of Fulham Football Club.

#### **RESOLUTION 10: TO RE-APPOINT THE AUDITORS**

The auditors of a company must be re-appointed at each general meeting at which accounts are laid. This resolution proposes the reappointment of the Company's existing auditors, Grant Thornton UK LLP, until the conclusion of the next Annual General Meeting of the Company.

#### **RESOLUTION 11: TO AUTHORISE THE DIRECTORS TO DETERMINE THE REMUNERATION OF THE AUDITORS**

This resolution authorises the Directors to determine the auditors' remuneration.

#### **RESOLUTION 12: TO GRANT AUTHORITY FOR THE DIRECTORS TO ALLOT SHARES**

Under Section 549 of the Act, the Board may allot shares only if authorised to do so. This resolution gives the Board authority to allot new shares up to a nominal value of £17,898,977 being approximately one third of the issued share capital of the Company (excluding treasury shares) on the Printing Date. There are currently no plans to allot any new shares in the capital of the Company except in connection with the Company's Share Scheme (to which section 549 of the Act does not apply).

#### **RESOLUTION 13: TO GRANT ADDITIONAL AUTHORITY FOR THE DIRECTORS TO ALLOT SHARES IN CONNECTION WITH A RIGHTS ISSUE**

In line with guidance issued by the Association of British Insurers, resolution 13 is proposed to give authority to the Directors to issue up to a further third of the issued share capital (excluding treasury shares) (over and above the authority granted under resolution 12) provided it is only applied on the basis of a rights issue.



## **RESOLUTIONS 14 AND 15: (EACH TO BE PROPOSED AS A SPECIAL RESOLUTION) TO DISAPPLY PRE-EMPTION RIGHTS**

Section 561(1) of the Act requires that if shares are to be issued for cash then, except to the extent disapplied by shareholders, those shares be offered first to existing shareholders in proportion to their existing holding. However, it may sometimes be in the interests of the Company for Directors to have greater flexibility.

Resolutions 14 and 15 are each proposed as a special resolution and ask the shareholders to grant this limited disapplication.

Resolution 14 contains a two-part disapplication of pre-emption rights. The first is limited to the allotment of shares for cash in connection with a rights issue to allow the Directors to make appropriate exclusions and other arrangements to resolve legal or practical problems which, for example, might arise in relation to overseas shareholders. The second is limited to the allotment of shares for cash up to an aggregate nominal value of £2,684,846.60 (approximately 5% of the issued ordinary share capital of the Company (excluding treasury shares) on the Printing Date).

The disapplication granted by resolution 15 is in addition to the two-part disapplication granted by resolution 14. It is limited to the allotment of shares for cash up to an aggregate nominal amount of £2,684,846.60 (approximately 5% of the issued ordinary share capital of the Company (excluding treasury shares) on the Printing Date). This further waiver may only be used for an allotment of shares for cash for the purposes of financing (or refinancing, if the waiver is used within six months of the original transaction) a transaction which the Directors determine to be an acquisition or other capital investment of a kind contemplated by the Pre-emption Group's March 2015 Statement of Principles.

The Board has no current intention to exercise these authorities and, in accordance with the guidelines issued by the Pre-emption Group (as updated in March 2015) does not expect to allot shares for cash on a non pre-emptive basis pursuant to resolution 14:

- a. in excess of an amount equal to 5% of the issued share capital of the Company; or
- b. in excess of an amount equal to 7.5% of the issued share capital of the Company within a rolling three-year period, without prior consultation with the Company's shareholders.

If the resolutions are passed, the disapplications will expire at the conclusion of the next Annual General Meeting of the Company.

## **RESOLUTION 16: TO AUTHORISE THE COMPANY TO PURCHASE ITS OWN SHARES**

In this resolution, shareholders are being asked to renew, until the next Annual General Meeting, the Board's authority to buy the Company's own shares subject to the constraints set out in resolution 16. The Board will only use this authority after taking account of the market conditions prevailing at the time, the needs of the Company, its opportunities for expansion and its overall financial position. The Board will exercise this power only if satisfied that it was in the interest of the shareholders as a whole to do so and that it was likely to result in an increase in earnings per share. Furthermore, any Director with a conflict of interest in respect of a particular exercise of the Company's power to purchase its own shares will not be involved in the decision to so exercise such power. Any shares purchased under this authority may either be cancelled or held as treasury shares. Treasury shares may subsequently be cancelled, sold for cash or used to satisfy options issued to employees pursuant to the employees' share schemes.

The Company intends to continue its share buyback programme originally announced on 28 July 2016 as most recently updated on 27 April 2018. We continued to conduct our Share Buyback Programme during the period, pursuant to the authority granted to us at the 2017 AGM. During the period to 29 April 2018 the Company has purchased 37,105,027 ordinary shares at a cost of £113.9m (excluding purchasing costs) and representing 5.8% of the issued share capital. As at the Printing Date the Company has not purchased any further shares under the Share Buyback Programme. No shares have been disposed of by the Company to this date.

## **NOTICE OF ANNUAL GENERAL MEETING**

### **Explanatory notes**

Continued

The total number of options to subscribe for ordinary shares and share awards under the 2011 Share Scheme and Executive Share Scheme giving an eligibility to receive shares subject to the satisfaction of performance conditions outstanding as at the Printing Date was 3,123,173 shares. The number of options and share awards outstanding represents approximately 0.58% of the issued share capital (excluding treasury shares) at the Printing Date. If this authority to purchase shares was exercised in full and the shares so purchased held in treasury, the options and share awards would represent approximately 0.68% of the issued share capital (excluding treasury shares) as at the Printing Date.

### **RESOLUTION 17: (TO BE PROPOSED AS A SPECIAL RESOLUTION) TO REDUCE THE NOTICE PERIOD FOR ALL GENERAL MEETINGS OTHER THAN ANNUAL GENERAL MEETINGS**

Changes made to the Act by the Companies (Shareholder Rights) Regulations 2009 (the “Shareholders’ Rights Regulations”) increase the notice period required for general meetings of companies to 21 days unless a company offers shareholders an electronic voting facility, and shareholders approve a shorter notice period, which cannot however be less than 14 clear days.

Prior to the Shareholders’ Rights Regulations which came into force on 3 August 2009, the Company was able to call general meetings, other than its Annual General Meeting, on 14 clear days’ notice without obtaining shareholder approval. In order to preserve this ability, resolution 14 seeks approval for a notice period of 14 clear days to apply to general meetings. The shorter notice period will not be used as a matter of routine but only where flexibility is merited by the business of the meeting, and is thought to be to the advantage of shareholders as a whole. The approval will be effective until the Company’s next Annual General Meeting, when it is intended that a similar resolution will be proposed. Annual General Meetings will continue to be held on at least 21 clear days’ notice.

### **RESOLUTION 18: TO AUTHORISE THE MAKING OF POLITICAL DONATIONS**

The Act prohibits companies from making any political donations to EU political organisations, independent candidates or incurring EU political expenditure unless authorised by shareholders in advance. The Company does not make and does not intend to make donations to EU political organisations or independent election candidates, nor does it incur any EU political expenditure. However, the definitions of political donations, political organisations and political expenditure used in the Act are very wide. As a result this can cover activities such as sponsorship, subscriptions, payment of expenses, paid leave for employees fulfilling certain public duties, and support for bodies representing the business community in policy review or reform. Shareholder approval is being sought on a precautionary basis only, to allow the Company to continue to support the community and put forward its views to wider business and Government interests, without running the risk of being in breach of the legislation.

### **RECOMMENDATION**

Your Board believes that all of the resolutions to be proposed at the meeting are in the best interests of the Company and its shareholders as a whole and, accordingly, unanimously recommends that shareholders vote in favour of all the resolutions, as the Directors intend to do in respect of their own beneficial shareholdings in the Company.

# NOTICE OF ANNUAL GENERAL MEETING

## Notes

### ELIGIBILITY TO ATTEND AND VOTE/APPOINTING A PROXY

The rights of members to attend and vote at the meeting will be determined by reference to entries on the register of members as at close of business on 10 September 2018. Only holders of ordinary shares on the register at that time shall be entitled to attend and/or vote at the meeting (or, in the event of any adjournment of the date which is two working days before the time of the adjourned meeting). Such shareholders may vote in respect of the number of shares registered in their names at that time, but any subsequent changes to the register of members shall be disregarded in determining rights to attend and vote.

A member entitled to attend and vote may appoint one or more proxies (who need not be members of the Company) to attend, speak and vote instead of him or her provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that shareholder. A form of proxy is enclosed, which members are invited to complete and return. Lodging a form of proxy will not preclude the member from attending the meeting and voting in person should he or she decide to do so. To be valid, the form of proxy (together with any power of attorney or other authority under which it is signed) must reach the Company's registrar Computershare Investor Services by post, by courier or by hand to Computershare Investor Services, The Pavilions, Bridgwater Road, Bristol, BS99 6ZY, United Kingdom or electronically via [www.eproxyappointment.com](http://www.eproxyappointment.com) not later than 11.00 am on 10 September 2018 (two working days before the AGM).

Please indicate with an "X" in the boxes provided on the Form of Proxy how you wish your proxy to vote on the resolutions. The "Vote Withheld" option on the form is provided to enable you to abstain on any particular resolution. However a "Vote Withheld" is not a vote in law and will not be counted in the calculation of the proportion of votes "For" and "Against" a resolution. If the Form of Proxy is returned without an indication as to how the proxy shall vote on any particular matter, the proxy will be permitted to exercise his discretion as to whether, and if so how, he votes and the Company shall consider the vote valid as if it had been made by the member.

CREST members who wish to appoint a proxy or proxies by utilising the CREST electronic proxy appointment service may do so for the AGM by utilising the procedures described in the CREST Manual. CREST Personal Members or other CREST sponsored members who have appointed a voting service provider, should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.

In order for a proxy appointment made by means of CREST to be valid, the appropriate CREST message (a CREST Proxy Instruction) must be properly authenticated in accordance with Euroclear UK & Ireland Limited's specifications and must contain the information required for such instructions, as described in the CREST Manual (available via [www.euroclear.com/CREST](http://www.euroclear.com/CREST)). The message, regardless of whether it constitutes the appointment of a proxy or is an amendment to the instruction given to a previously appointed proxy must, in order to be valid, must be transmitted so as to be received by the Issuer's agent (ID number 3RA50) not later than 48 hours before the time appointed for the meeting. For this purpose, the time of receipt will be taken to the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the Issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST.

After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.

CREST members and, where applicable, their CREST sponsors or voting service provider(s) should note that Euroclear UK & Ireland Ltd does not make available special procedures in CREST for any particular message. Normal systems timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time.

## **NOTICE OF ANNUAL GENERAL MEETING**

### **Notes**

Continued

In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitation of the CREST systems and timings. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5) (a) of the Uncertificated Security Regulations 2001.

### **MULTIPLE PROXY VOTING INSTRUCTIONS**

The following principles shall apply in relation to the appointment of multiple proxies:

- a. The Company will give effect to the intentions of members and include votes wherever and to the fullest extent possible.
- b. Where a proxy does not state the number of shares to which it applies (a blank proxy) then, subject to the following principles where more than one proxy is appointed, that proxy is deemed to have been appointed in relation to the total number of shares registered in the name of the appointing member (the member's entire holding). In the event of a conflict between a blank proxy and a proxy which does state the number of shares to which it applies (a specific proxy), the specific proxy shall be counted first, regardless of the time it was sent or received (on the basis that as far as possible, the conflicting forms of proxy should be judged to be in respect of different shares) and remaining shares will be apportioned to the blank proxy (pro rata if there is more than one).
- c. Where there is more than one proxy appointed and the total number of shares in respect of which proxies are appointed is no greater than the member's entire holding, it is assumed that proxies are appointed in relation to different shares, rather than that conflicting appointments have been made in relation to the same shares. That is, there is only assumed to be a conflict where the aggregate number of shares in respect of which proxies have been appointed exceeds the member's entire holding.
- d. When considering conflicting proxies, later proxies will prevail over earlier proxies, and which proxy is later will be determined on the basis of which proxy is last sent (or, if the Company is unable to determine which is last sent, last received). Proxies in the same envelope will be treated as having been sent and received at the same time, to minimise the number of conflicting proxies.
- e. If conflicting proxies are sent or received at the same time in respect of (or deemed to be in respect of) an entire holding, none of them shall be treated as valid.
- f. Where the aggregate number of shares in respect of which proxies are appointed exceeds a member's entire holding and it is not possible to determine the order in which they were sent or received (or they were all sent or received at the same time), the number of votes attributed to each proxy will be reduced pro rata.
- g. Where the application of paragraph (f) above gives rise to fractions of shares, such fractions will be rounded down.
- h. If a member appoints a proxy or proxies and then decides to attend the AGM in person and vote, then the vote in person will override the proxy votes(s). If the vote in person is in respect of the member's entire holding, then all proxy votes will be disregarded. If, however, the member votes at the meeting in respect of less than the member's entire holding, then if the member indicates on his polling card that all proxies are to be disregarded, that shall be the case; but if the member does not specifically revoke proxies, then the vote in person will be treated in the same way as if it were the last received proxy and earlier proxies will only be disregarded to the extent that to count them would result in the number of votes being cast exceeding the member's entire holding.
- i. In relation to paragraph (h) above, in the event that a member does not specifically revoke proxies, it will not be possible for the Company to determine the intentions of the member in this regard. However, in light of the aim to include votes wherever and to the fullest extent possible, it will be assumed that earlier proxies should continue to apply to the fullest extent possible.

## **RIGHTS OF NOMINATED PERSONS**

Any person to whom this Notice is sent who is a person nominated under Section 146 of the Act to enjoy information rights (a "Nominated Person") may, under agreement with the shareholder by whom he was nominated, have a right to be appointed (or to have someone else appointed) as a proxy for the AGM. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, he may, under any such agreement, have a right to give instructions to the shareholder as to the exercise of voting rights.

The statement of the rights of shareholders in relation to the appointment of proxies in the paragraph above entitled "Eligibility to attend and vote/Appointing a Proxy" does not apply to Nominated Persons. The rights described in that paragraph can only be exercised by shareholders of the Company.

## **CORPORATE REPRESENTATIVES**

A member of the Company which is a corporation may authorise a person or persons to act as its representative(s) at the AGM. In accordance with the provisions of the Act, each such representative may exercise (on behalf of the corporation) the same powers as the corporation could exercise if it were an individual member of the Company, provided that they do not do so in relation to the same shares. It is no longer necessary to nominate a designated corporate representative (as was previously recommended by the ICSA guidance published in relation to corporate representatives).

Any corporation which is a member can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a member provided that they do not do so in relation to the same shares.

## **ISSUED SHARES AND TOTAL VOTING RIGHTS**

As at 18 July 2018, the Company's issued share capital comprised 640,602,369 ordinary shares of 10p each. Each ordinary share carries the right to one vote at a general meeting of the Company provided that it is not permitted to exercise the voting rights of shares held in treasury. The Company holds 103,633,049 ordinary shares in treasury, corresponding to 16.2% of the total ordinary share capital in issue, and accordingly the total number of voting rights in the Company as at 18 July 2018 was 536,969,320.

## **QUESTIONS AT THE AGM**

Any member attending the meeting has the right to ask questions. The Company must cause to be answered any such questions relating to the business being dealt with at the meeting but no such answer needs to be given, if:

- a. to do so would interfere unduly with the preparation for the meeting or involve the disclosure of confidential information;
- b. the answer has already been given on a website in the form of an answer to a question; or
- c. it is undesirable in the interests of the Company or the good order of the meeting that the question be answered.

## **NOTICE OF ANNUAL GENERAL MEETING**

### **Notes**

Continued

#### **WEBSITE PUBLICATION OF AUDIT CONCERNS**

Pursuant to Chapter 5 of Part 16 of the Act (sections 527 to 531), where requested by a member or members meeting the qualification criteria set out below, the Company must publish on its website, a statement setting out any matter that such members propose to raise at the AGM relating to the audit of the Company's accounts (including the auditor's report and the conduct of the audit) that are to be laid before the AGM or any circumstance connected with an auditor of the Company ceasing to hold office since the previous meeting at which Annual Report and Accounts were laid in accordance with section 437 of the Companies Act 2006. Where the Company is required to publish such a statement on its website:

- a. it may not require the members making the request to pay any expenses incurred by the Company in complying with the request;
- b. it must forward the statement to the Company's auditors no later than the time the statement is made available on the Company's website; and
- c. the statement may be dealt with as part of the business of the meeting.

The request:

- a. may be in hard copy form or in electronic form (see "Submission of Requests and Authentication Requirements" below);
- b. either set out the statement in full or, if supporting a statement sent by another member, clearly identify the statement which is being supported;
- c. must be authenticated by the person or persons making it (see "Submission of Requests and Authentication Requirements" below); and
- d. be received by the Company at least one week before the meeting.

#### **QUALIFICATION CRITERIA**

In order to be able to exercise the members' right to require the Company to publish audit concerns (see "Website Publication of Audit Concerns" above) the relevant request must be made by:

- a. a member or members having a right to vote at the Meeting and holding at least 5% of total voting rights of the Company; or
- b. at least 100 members have a right to vote at the Meeting and holding, on average, at least £100 of paid up share capital.

For information on voting rights, including the total number of voting rights, see "Issued Shares and Total Voting Rights" above and the website referred to in "Documents Available for Inspection" below.

#### **SUBMISSION OF REQUESTS AND AUTHENTICATION REQUIREMENTS**

Where a member or members wish to request the Company to publish audit concerns (see "Website Publication of Audit Concerns" above) such request must be made in accordance with one of the following ways:

- a. a hard copy request which is signed by you, states your full name and address and is sent to the Company Secretary, Sports Direct International plc, Unit A, Brook Park East, Shirebrook, NG20 8RY; or
- b. a request which is signed by you, states your full name and address and is sent to Grant Thornton UK LLP, Grant Thornton House, Melton Street, Euston Square, London, NW1 2EP.

## **COMMUNICATION**

Except as provided above, members who have general queries about the AGM should contact the Company Secretary at Unit A, Brook Park East, Shirebrook, NG20 8RY or Computershare Investor Services, The Pavilions, Bridgwater Road, Bristol, BS99 6ZY, United Kingdom (no other methods of communication will be accepted).

You may not use any electronic address provided either in this Notice of AGM or any related documents to communicate with the Company for any purposes other than those expressly stated.

## **DOCUMENTS AVAILABLE FOR INSPECTION**

The following documents are available for inspection at Sports Direct International plc, Unit A, Brook Park East, Shirebrook, NG20 8RY during normal business hours on any weekday (excluding weekends) from the date of this Notice until the date of the AGM and at the AGM venue from 10.30am on 12 September 2018 until the conclusion of the meeting:

- a. a register of interests of the Directors and their family in the shares of the Company;
- b. copies of all contracts of service under which Directors are employed by the Company;
- c. a copy of the Articles of Association of the Company;
- d. the annual report and audited financial statements of the Group in respect of the period ended 29 April 2018;  
and
- e. biographical details of the Directors which are shown on pages 94 and 95 of the Annual Report and Accounts 2018.

Copies of the documents set out at (c) to (e) above and the other information required by section 311A of the Act can also be found at [www.sportsdirectplc.com](http://www.sportsdirectplc.com) under the Media Centre pages.

## **HOW TO GET TO THE AGM**

The AGM will be held at Academy House, 36 Poland St, London W1F 7LU. A map showing the location of the Company's site is printed on the reverse of the proxy card.

