

**DEROGATION LETTER
IN RESPECT OF INITIAL ENFORCEMENT ORDERS ISSUED
PURSUANT TO SECTION 72(2) ENTERPRISE ACT 2002
COMPLETED ACQUISITION**

Please note that [✂] indicates figures or text which have been deleted at the request of the parties for reasons of commercial confidentiality.

Consent under section 72(3C) of the Enterprise Act 2002 to certain actions for the purposes of the Initial Enforcement Order made by the Competition and Markets Authority ('CMA') on 17 May 2019

Completed acquisition by JD Sports Fashion plc of Footasylum plc (the Merger)

We refer to your emails of 16 and 17 May, and the accompanying note of 17 May 2019 requesting that the CMA consents to derogations to the Initial Enforcement Order of 17 May 2019 (the '**Initial Order**'). The terms defined in the Initial Order have the same meaning in this letter.

Under the Initial Order, save for written consent by the CMA, Pentland Group PLC (**Pentland**) and JD Sports Fashion plc (**JD Sports**) are required to hold separate the Footasylum business from the Pentland and JD Sports businesses and refrain from taking any action which might prejudice a reference under section 22 of the Act or impede the taking of any remedial action following such a reference.

After due consideration of your request for derogations from the Initial Order, based on the information received from you and in the particular circumstances of this case, JD Sports and Footasylum plc (**Footasylum**) may carry out the following actions, in respect of the specific paragraphs:

1. Paragraphs 4(a) and 4(b) of the Initial Order

The CMA understands that as a result of completion of the public offer and acquisition process (as allowed under the terms of the Initial Order), the insertion of an amendment to Footasylum's current articles of association is required such that JD Sports can acquire any Footasylum shares [✂]. On the basis that this change is to allow for legal ownership of all Footasylum shares to transfer to JD Sports and

does not prejudice any remedial action which may be required in future, the CMA consents to a derogation to the terms of the Initial Order for this purpose.

2. Paragraphs 4(a) and 4(b) of the Initial Order

The CMA understands that as a result of completion of the Merger and the transfer of legal ownership of all Footasylum shares to JD Sports (as allowed under the terms of the Initial Order), and the delisting process on 16 May 2019, the adoption of new articles of association by Footasylum and its re-registration as a private company to reflect its legal ownership by JD Sports is required. On the basis that these changes do not prejudice any remedial action which may be required in future, the CMA consents to a derogation to the terms of the Initial Order for this purpose.

Elie Yoo, Assistant Director, Mergers

4 June 2019