

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

Please note that [X] 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 the request by Footasylum plc (**Footasylum**) dated 15 July 2019 that the CMA grant a derogation to the Initial Enforcement Order served on JD Sports Fashion plc (**JD Sports**) and Pentland Group plc (**Pentland**) on 17 May 2019 (the "**Initial Order**"). Terms defined in the Initial Order have the same meaning in this letter.

Under the Initial Order, Pentland and JD Sports are required to procure that, save for the written consent of the CMA, Footasylum make no substantive changes to the organisational structure and management responsibilities within Footasylum, including no changes to key staff of the Footasylum business.

After due consideration of the request for a derogation from the Initial Order, based on the information received from Footasylum, and in the particular circumstances of this case, Footasylum may carry out the following actions in relation to the specific paragraphs of the Initial Order listed below.

Paragraphs 6(c) and 6(i) of the Initial Order

The CMA understands that [X] has resigned from [X] of Footasylum. In order to ensure the ongoing viability and independent operation of the Footasylum business, Footasylum has requested a derogation from the Initial Order to appoint [X] of Footasylum with immediate effect following agreement of [X] departure date. The CMA consents to this derogation on the basis that it is necessary to ensure the ongoing viability and independent operation of the Footasylum business.

The CMA also understands that, in order to comply with its ongoing statutory obligations under the Companies Act 2006, Footasylum will be required to appoint an additional director to the Footasylum Board of Directors in advance of [X] departure. Footasylum has therefore requested a derogation from the Initial Order to appoint [X] to the Footasylum Board of Directors as [X] with immediate effect following agreement of [X] departure date. The CMA consents to this derogation on the basis that it is necessary to enable Footasylum to meet its statutory obligations under the Companies Act 2006.

Elie Yoo
Assistant Director, Mergers
15 July 2019