

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 your emails of 16 and 17 May 2019 and 4, 13, 21 June 2019 and 3 and 24 July 2019 and 7 August 2019 and 19 September 2019 and related discussions regarding a request by JD Sports Fashion plc that the CMA grant certain derogations to the Initial Enforcement Order served on JD Sports Fashion plc and Pentland Group plc on 17 May 2019 (the **Initial Order**). Terms defined in the Initial Order have the same meaning in this letter.

Under the Initial Order, save for the written consent of the CMA, JD Sports Fashion plc (**JD Sports**) and Pentland Group plc (**Pentland**) 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 requests for derogations from the Initial Order, based on the information received from you, and in the particular circumstances of this case, JD Sports may carry out the following actions, in relation to the specific paragraphs of the Initial Order listed below:

1. Paragraph 6(I) of the Initial Order

The CMA's derogation dated 25 June 2019 (**Clean Team Derogation**), as amended by the derogation dated 8 August 2019 (**Revised Clean Team Derogation**), provides that designated individuals within JD Sports may receive certain Footasylum financial information for internal accounting and external auditing and financial reporting purposes (Footasylum Information).

The designated individuals (**JD Designated Clean Team**) entitled to receive Footasylum Information for these purposes are listed in the Revised Clean Team Derogation.

The CMA now agrees that [X] may be added to the JD Designated Clean Team in place of [X] on the basis that he will be unable to carry out his duties relating to group reporting unless he is provided with access to the Footasylum Information under the Clean Team Derogation.

[redacted] will comply with the safeguarding measures as set out in the Clean Team Derogation and will not be provided with any Footasylum Information until Footasylum has received appropriate signed written undertakings (in a form approved in advance by the CMA).

The JD Designated Clean Team therefore now comprises of the following individuals:

- [redacted];
- [redacted];
- [redacted];
- [redacted];
- [redacted];
- [redacted];
- [redacted];
- [redacted];
- [redacted];
- [redacted];
- [redacted];
- [redacted];
- [redacted];
- [redacted];
- [redacted];
- [redacted];
- [redacted];
- [redacted];
- [redacted]; and
- [redacted].

The CMA also agrees that above list of JD Designated Clean Team can be further amended from time to time with prior written CMA approval.

**Alexandra Zachmann
Assistant Director, Mergers
23 September 2019**