

DEROGATION LETTER IN RESPECT OF INTERIM ORDER ISSUED PURSUANT TO SECTION 81 ENTERPRISE ACT 2002 COMPLETED ACQUISITION

Consent under section 81 of the Enterprise Act 2002 to certain actions for the purposes of the Interim Order made by the Competition and Markets Authority ('CMA') on 26 November 2019

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

We refer to your emails of 14, 19, 22, 27 and 29 November 2019 requesting that the CMA consents to derogations from the Interim Order of 26 November 2019 (which replaces the Initial Enforcement Order of 17 May 2019). The terms defined in the Interim Order have the same meaning in this letter.

Under the Interim Order, save for written consent by the CMA, Pentland Group Limited (Jersey) and Pentland Group Limited (together **Pentland**) and JD Sports Fashion plc (**JD Sports**) are required to hold separate the Footasylum Limited (**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 Interim 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 respect of the specified paragraphs.

1. Paragraphs 4, 5(c), 5(d), 5(e), 5(h), 5(i), 5(j), 5(k) and 10 of the Interim Order

The CMA understands that JD Sports' international business activities are independent of and do not impact decision making in the UK. The CMA agrees to exclude the legal entities listed in Annex 1 (provided to the CMA by JD Sports) relating to JD Sports' international business from the scope of the above paragraphs.

The CMA grants this derogation on the basis of JD Sports' representations that its international business activities are entirely unrelated to the UK aspects of the Merger and that this derogation will not lead to the integration of the JD Sports and

Footasylum businesses. This derogation shall not prevent any remedial action that the CMA may need to take regarding the Merger.

2. Paragraph 5(d) of the Interim Order

The CMA understands that JD Sports intends to rebrand the following [X].

The CMA grants this derogation on the basis of JD Sports' representations that the rebranding would not result in the closure of these [X] stores and that this would not prevent any remedial action that the CMA may need to take regarding the Merger.

3. Paragraph 5(e) of the Interim Order

The CMA understands that JD Sports has requested an option to serve a break notice [X] on, or before, [X]. It is also the CMA's understanding that JD Sports [X].

The CMA grants this derogation on the basis of JD Sports' representation that [X]. The CMA grants this derogation subject to the following conditions that:

- (a) JD Sports will only [X]; and
- (b) in any event, JD Sports [X].

ANNEX 1

- John David Sports Fashion (Ireland) Limited
- Champion Retail Limited
- Champion Sports Ireland
- Spodis SA
- Sprinter Megacentros Del Deporte SLU
- Sport Zone Canarlas (SL)
- Sportiberica – Sociedade de Arigos de Desporto S.A
- SDSR- Sports Division SR, S.A (Sports Zone Portugal)
- Sports Unlimited Retail BV (Perry Sport and Aktlesport)
- JD Sports Fashion (France) SAS
- JD Spain Sports Fashion 2010 SL
- JD Canary Islands Sports SL
- JD Sports Fashion BV
- JD Sports Fashion SRL
- JD Sports Fashion AT AmbH
- JD Sports Fashion Sweden AB
- JD Sports Fashion Finland OY
- JD Sports Fashion Denmark APS
- JD Sports Fashion Germany GmbH
- JD Sports Fashion Belgium BVBA
- JD Sports Fashion Aus Pty
- JD Sports Fashion PTE LTD
- JD Sports Fashion SDN BHD
- JD Sports (Thailand) Limited
- JD Sports Fashion Korea Inc
- JD Size GmbH
- The Finish Line, Inc
- Focus Italy S.pa. (Wholesale business)
- Kukri Sports Ireland Limited (Wholesale business)
- Kukri Australia Pty Limited (Wholesale business)
- Kukri NZ Limited (Wholesale business)
- Kukri Sports Canada Inc (Wholesale business)
- Kukri Shanghai Limited (Wholesale business)
- Kukri Pte Limited (Wholesale business)
- Kukri (Asia) Limited (Wholesale business)
- Kukri Sports Middle East JLT (Wholesale business)
- Shanghai Go Outdoors Limited (Responsible for the sourcing of products and management of supplier relationships)