

## THE ORDER

### 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 email of 18 June 2020 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 and Footasylum may carry out the following actions, in respect of the specified paragraphs.

#### **Paragraph 5(l) of the Interim Order**

In order to ensure the effective divestiture of Footasylum, JD Sports has requested that the following JD Sports employees (the **Deal Clean Team Individuals**) are permitted to receive and review certain commercially sensitive Footasylum financial information, including but not limited to current and forecast financial information for the next 12 months (**Footasylum Information**) for the specific purpose of assisting JD Sports' external advisors with the preparation of documents relating to the marketing of the Footasylum business (the **Specified Purpose**):

[✂]

[✂]

[✂]

[✂]

The CMA understands that the Deal Clean Team Individuals do not have an operational role within the JD Sports Group. The CMA grants this derogation subject to the following conditions:

- a) Footasylum Information is only shared with the Deal Clean Team Individuals where: (i) Footasylum provides its prior consent to JD Sports to the sharing of specified Footasylum Information; and (ii) this is strictly necessary for the Specified Purpose;
- b) Footasylum Information will only be provided to the Deal Clean Team Individuals once written confidentiality undertakings (in a form approved in advance by the CMA) have been signed;
- c) access to Footasylum Information is restricted to the Deal Clean Team Individuals (or as amended with the prior written consent of the CMA); and
- d) JD Sports keeps the Monitoring Trustee informed of any material developments relating to this derogation.