

COMPLETED ACQUISITION BY JD SPORTS FASHION PLC OF FOOTASYLUM PLC

Interim Order made by the Competition and Markets Authority pursuant to section 81 of the Enterprise Act 2002

Whereas:

- A. On 12 April 2019, JD Sports Fashion plc (**'JD Sports'**) acquired Footasylum plc¹ (**'Footasylum'**) (the **'Merger'**).
- B. On 17 May 2019, the Competition and Markets Authority (**'CMA'**) made an Initial Enforcement Order (the **'IEO'**) in accordance with section 72(2) of the Enterprise Act 2002 (the **'Act'**) for the purposes of preventing pre-emptive action in accordance with that section. On 7 October 2019, the CMA issued directions under the IEO for the appointment of a monitoring trustee (the **'Monitoring Trustee'**) in order to monitor and ensure compliance with the IEO.
- C. On 1 October 2019, the CMA, in accordance with section 22(1) of the Act, referred the Merger to a group of CMA panel members to determine, pursuant to section 35 of the Act (the **'Reference'**):
 - a) whether a relevant merger situation has been created; and
 - b) if so, whether the creation of that situation has resulted, or may be expected to result, in a substantial lessening of competition (**'SLC'**) in any market or markets in the United Kingdom (**'UK'**) for goods or services.

¹ On 19 September 2019, Footasylum plc became Footasylum Limited. References to Footasylum in this Order should be interpreted to mean both Footasylum plc (in the period prior to 20 September 2019) and Footasylum Limited (in the period since 20 September 2019).

- D. On 26 November 2019, the CMA imposed an interim order (the '**IO**') for the purpose of preventing pre-emptive action in accordance with section 81 of the Act. The IEO consequently ceased to be in force under section 72(6) of the Act. The appointment and work of the Monitoring Trustee under the IEO was extended under the IO to monitor and ensure compliance with the IO.
- E. On 6 May 2020, the CMA published a final report pursuant to section 38 of the Act (the '**Report**') which concluded that:
- (a) the Merger has created a relevant merger situation;
 - (b) the creation of that situation has resulted in, or may be expected to result, in SLCs in relation to the supply of sports-inspired casual footwear and apparel both in-store and online in the UK; and
 - (c) the CMA should take action to remedy the SLCs found and any adverse effects resulting from them.
- F. In the Report, the CMA, having regard to its findings, required the divestiture of the Footasylum business (the '**Remedy**').
- G. On 17 June 2020, JD Sports made an application to the Competition Appeal Tribunal (the '**Tribunal**') pursuant to section 120 of the Act for a review of the CMA's decision in the Report.
- H. On 13 July 2020, the CMA accepted final undertakings from each of JD Sports, Footasylum and Pentland² (the '**Final Undertakings**') pursuant to section 82 of the Act to give effect to the Remedy. Pursuant to section 82 of the Act, the IO ceased to be in force on the date of acceptance by the CMA of the Final Undertakings.
- I. On 13 November 2020, the Tribunal handed down its judgment setting out its conclusion on each of the grounds of review (the '**Judgment**'). In the Judgment, the Tribunal quashed the Report in so far as its conclusions were

² [3<]. On 11 December 2019, Pentland sold a 2.47% stake in JD Sports and, as a result, Pentland now owns 55.0% of JD Sports. On 1 December 2020, Pentland Group Limited, a company registered in Jersey, changed its name to Pentland Group Holdings Limited. References to Pentland means Pentland Group plc prior to 21 November 2019 and both PGL1 and PGL2 from 21 November 2019 onwards.

based on the CMA's assessment of the likely effects of the COVID-19 pandemic on: (i) the relevant markets, (ii) the Merger parties and/or the merged entity, and (iii) on the competitive constraints likely to apply to the Merger parties and/or the merged entity. The Tribunal remitted the case to the CMA for reconsideration in the light of the Judgment.

- J. The CMA's subsequent applications for permission to appeal the Judgment were rejected by the Tribunal on 17 December 2020 and by the Court of Appeal on 3 March 2021.
- K. The CMA will now conduct its remittal inquiry to reconsider, in light of the Judgment, whether the Merger has resulted, or may be expected to result, in an SLC, and if so, what action should be taken to remedy, mitigate or prevent the SLC or any adverse effect resulting from the SLC (the '**Remittal**').
- L. On 19 May 2021, following the Judgment the CMA released JD Sports, Footasylum and Pentland from the Final Undertakings, including their obligation to give effect to the Remedy, pursuant to section 82(2)(c) of the Act.
- M. The CMA wishes to ensure that no action is taken pending final determination of the Reference following the Remittal which might prejudice the Reference or impede the taking of any action by the CMA under Part 3 of the Act which might be justified by the CMA's decisions on the Reference.

Now, for the purpose of preventing pre-emptive action in accordance with section 81 of the Act, the CMA makes the following order ('**Order**') addressed to each of (i) JD Sports; (ii) Footasylum; and (iii) Pentland Group Holdings Limited ('**PGL1**') and Pentland Group Limited ('**PGL2**') (PGL1 and PGL2 together, '**Pentland**').

Commencement, application and scope

1. This Order commences on the Commencement Date.
2. This Order applies to JD Sports, Footasylum and Pentland.
3. Notwithstanding any other provision of this Order, no act or omission shall constitute a breach of this Order, and nothing in this Order shall oblige JD Sports, Footasylum or Pentland to reverse any act or omission, in each case to the extent that it occurred, or was completed, prior to the Commencement Date.

4. The directions, derogations and consents issued in relation to, or pursuant to, the IEO, the IO and the Final Undertakings, which are set out in Schedule 1 to this Order shall continue in force and apply to this Order until final determination of the Reference unless amended, cancelled or revoked by the CMA.

Management of the JD Sports business and Footasylum business until determination of the proceedings

5. Except with the prior written consent of the CMA (which, for the avoidance of doubt, includes the list of derogations and consents set out in Schedule 1 to this Order that shall be treated as exceptions to the general obligations set out in paragraph 5 during the Specified Period, unless amended or revoked by the CMA at any time), JD Sports and Footasylum shall not, during the Specified Period, take any action which might prejudice the Reference or impede the taking of any action under the Act by the CMA which may be justified by the CMA's decisions on the Reference, including any action which might:
 - (a) lead to the integration of the JD Sports business with the Footasylum business;
 - (b) transfer the ownership or control of the JD Sports business or the Footasylum business or any of their subsidiaries; or
 - (c) otherwise impair the ability of the JD Sports business or the Footasylum business to compete independently in any of the markets affected by the Merger.
6. Further and without prejudice to the generality of paragraph 5 and subject to paragraph 3, JD Sports and Footasylum shall at all times during the Specified Period procure that, except with the prior written consent of the CMA:
 - (a) the Footasylum business is carried on separately from the JD Sports business and the Footasylum business's separate sales or brand identity is maintained;
 - (b) the Footasylum business and the JD Sports business are maintained as going concerns and sufficient resources are made available for the development of the Footasylum business and the JD Sports business, on the basis of their respective pre-Merger business plans (as updated from time to time in the ordinary course of business), and having due regard to the need to maintain and/or preserve the Footasylum business and the JD Sports business as effective competitors and to all relevant circumstances as reasonably determined by the CMA;

- (c) except in the ordinary course of business, no substantive changes are made to the organisational structure of, or the management responsibilities within the Footasylum business or the JD Sports business;
- (d) the nature, description, range and quality of goods and/or services supplied in the UK by each of the Footasylum business and the JD Sports business are maintained and preserved;
- (e) except in the ordinary course of business for the separate operation of the Footasylum business or the JD Sports business:
 - (i) all of the assets of the Footasylum business and the JD Sports business are maintained and preserved, including facilities and goodwill;
 - (ii) none of the assets of the Footasylum business or the JD Sports business are disposed of; and
 - (iii) no interest in the assets of the Footasylum business or the JD Sports business is created or disposed of;
- (f) there is no integration of the information technology of the Footasylum business and the JD Sports business, and the software and hardware platforms of the Footasylum business shall remain essentially unchanged, except for routine changes and maintenance;
- (g) the customer and supplier lists of the Footasylum business and the JD Sports business shall be operated and updated separately and any negotiations with any existing or potential customers and suppliers in relation to the Footasylum business will be carried out by the Footasylum business alone and for the avoidance of doubt the JD Sports business will not negotiate on behalf of the Footasylum business (and vice versa) or enter into any joint agreements with the Footasylum business (and vice versa);
- (h) all existing contracts of the Footasylum business and the JD Sports business continue to be serviced by the business to which they were awarded;
- (i) no changes are made to Key Staff of the Footasylum business or the JD Sports business;
- (j) no Key Staff are transferred between the Footasylum business and the JD Sports business;

- (k) all reasonable steps are taken to encourage all Key Staff of the Footasylum business and the JD Sports business to remain with their respective business; and
- (l) no business secrets, know-how, commercially-sensitive information, intellectual property or any other information of a confidential or proprietary nature relating to either of the Footasylum business or the JD Sports business shall pass, directly or indirectly, from the Footasylum business on the one hand (or any of its employees, directors, agents or affiliates) to the JD Sports business on the other hand (or any of its employees, directors, agents or affiliates), or vice versa, except where strictly necessary in the ordinary course of business (for example, where required for compliance with external regulatory and/or accounting obligations) and on the basis that, should the Merger be prohibited, any records or copies (electronic or otherwise) of such information that have passed, wherever they may be held, will be returned to the business to which they relate and any copies destroyed.

Management of the Pentland business until determination of the proceedings

7. Except with the prior written consent of the CMA (which, for the avoidance of doubt, includes the list of derogations and consents set out in Schedule 1 to this Order that shall be treated as exceptions to the obligations set out in paragraph 7 during the Specified Period, unless amended or revoked by the CMA at any time), Pentland shall not, during the Specified Period, take any action which might prejudice the Reference or impede the taking of any action under the Act by the CMA which may be justified by the CMA's decisions on the Reference, including any action which might:
 - (a) lead to the integration of the Pentland business with the Footasylum business; or
 - (b) otherwise impair the ability of the Footasylum business to compete independently in any of the markets affected by the Merger.
8. Further and without prejudice to the generality of paragraph 7 and subject to paragraph 3, Pentland shall at all times during the Specified Period procure that, except with the prior written consent of the CMA:
 - (a) no action is taken by Pentland to solicit the transfer of staff from the Footasylum business to Pentland;
 - (b) the Pentland business is carried on separately from Footasylum business and the separate sales or brand identity of the Footasylum business from the Pentland business is maintained;

- (c) there is no integration of the information technology of the Pentland business and the Footasylum business;
 - (d) the customer and supplier lists of the Pentland business are operated and updated separately from the Footasylum business and for the avoidance of doubt the Pentland business will not negotiate on behalf of the Footasylum business or enter into any joint agreements with the Footasylum business;
 - (e) no Key Staff are transferred between the Pentland business and the Footasylum business;
 - (f) no business secrets, know-how, commercially-sensitive information, intellectual property or any other information of a confidential or proprietary nature relating to the Footasylum business shall pass, directly or indirectly, from the Footasylum business on the one hand (or any of its employees, directors, agents or affiliates) to the Pentland business on the other hand (or any of its employees, directors, agents or affiliates), or vice versa, except where strictly necessary in the ordinary course of business (for example, where required for compliance with external regulatory and/or accounting obligations) and on the basis that, should the Merger be prohibited, any records or copies (electronic or otherwise) of such information that have passed, wherever they may be held, will be returned to the business to which they relate and any copies destroyed; and
 - (g) any commercial or other trading activities between the Pentland business and the Footasylum business are conducted on an arm's length basis and on normal commercial terms.
9. Pentland shall procure at all times during the Specified Period, except with the prior written consent of the CMA, which shall not be unreasonably withheld, that:
- (a) the Relationship Agreement is not terminated;
 - (b) no material amendments are made to the Relationship Agreement unless strictly necessary as a result of changes to the Listing Rules or any other regulatory or legislative requirement; and
 - (c) [].

Compliance

10. JD Sports, Footasylum and Pentland shall procure that each of their subsidiaries complies with this Order as if the Order had been issued to each of them.
11. JD Sports, Footasylum and Pentland shall provide to the CMA such information or statement of compliance as it may from time to time require for the purposes of monitoring compliance by JD Sports, Footasylum and Pentland and their subsidiaries with this Order. In particular, on 21 June 2021 and subsequently every four weeks (or, where this does not fall on a working day, the first working day thereafter) the Company Secretary and General Counsel of JD Sports, the Chairman and Chief Executive Officer of Footasylum and the Director of Pentland, or other persons of JD Sports, Footasylum and Pentland as agreed with the CMA shall, on behalf of JD Sports, Footasylum and Pentland provide a statement to the CMA in the form set out in Annex 1 or Annex 2 (as applicable) to this Order confirming compliance with this Order.
12. At all times, JD Sports and Footasylum shall actively keep the CMA informed of any material developments relating to the JD Sports business and/or the Footasylum business, which includes but is not limited to:
 - (a) details of Key Staff who leave or join the Footasylum business or the JD Sports business;
 - (b) any interruption of the Footasylum business or the JD Sports business (including without limitation its procurement, production, logistics, sales and employee relations arrangements) that has prevented it from operating in the ordinary course of business for more than 72 hours;
 - (c) all substantial customer volumes won or lost or substantial changes to the customer contracts for the Footasylum business or the JD Sports business including any substantial changes in customers' demand;
 - (d) substantial changes in the Footasylum business's or the JD Sports business's contractual arrangements or relationships with key suppliers; and
 - (e) substantial adverse changes in the financial position and/or performance of the JD Sports business or the Footasylum business.
13. At all times, Pentland shall actively keep the CMA informed of any material developments in relation to its obligations under paragraphs 7 to 9.

14. The appointment of the Monitoring Trustee under the IEO, and extended under the IO and the Final Undertakings, shall continue from the Commencement Date, for the purpose of monitoring and ensuring compliance with the Order. The appointment and work of the Monitoring Trustee shall continue until final determination of the Reference.
15. JD Sports and Pentland shall make such changes to the Monitoring Trustee Mandate as are required and approved by the CMA to enable the Monitoring Trustee to monitor and ensure compliance with this Order.
16. If JD Sports, Footasylum or Pentland has any reason to suspect that this Order might have been breached it shall immediately notify the CMA and the Monitoring Trustee.
17. The CMA may give directions to a specified person or to a holder of a specified office in any body of persons (corporate or unincorporated) to take specified steps for the purpose of carrying out, or ensuring compliance with, this Order, or do or refrain from doing any specified action in order to ensure compliance with the Order. The CMA may vary or revoke the Monitoring Trustee Directions and any other such directions so given.
18. JD Sports, Footasylum and Pentland shall comply in so far as they are able with such directions as the CMA may from time to time give to take such steps as may be specified or described in the directions for the purpose of carrying out or securing compliance with this Order.

Interpretation

19. The Interpretation Act 1978 shall apply to this Order as it does to Acts of Parliament.
20. For the purposes of this Order:

'Act' means the Enterprise Act 2002;

'affiliate' of a person is another person who satisfies the following condition, namely that any enterprise (which, in this context, has the meaning given in section 129(1) of the Act) that the first person carries on from time to time and any enterprise that the second person carries on from time to time would be regarded as being under common control for the purposes of section 26 of the Act;

'business' has the meaning given by section 129(1) and (3) of the Act;

'CMA' means the Competition and Markets Authority;

'Commencement Date' means the date on which this Order is made;

'control' includes the ability directly or indirectly to control or materially to influence the policy of a body corporate or the policy of any person in carrying on an enterprise;

'Footasylum' means Footasylum Limited, and prior to 20 September 2019 Footasylum plc, a company registered in England and Wales with company number 05535565;

'Footasylum business' means the business of Footasylum and its subsidiaries carried on as at the Commencement Date;

'IEO' means the order imposed by the CMA on JD Sports and PGL2 pursuant to 72(2) of the Act with a commencement date of 17 May 2019;

'IO' means the interim order made by the CMA on 26 November 2019;

'JD Sports' means JD Sports Fashion plc, a company registered in England and Wales with company number 01888425;

'JD Sports business' means the business of JD Sports and its subsidiaries but excluding the Footasylum business, carried on as at the Commencement Date;

'Judgment' means the judgment handed down by the Tribunal on 13 November 2020 setting out the Tribunal's conclusion on each of the grounds of review in JD Sports' application to the Tribunal for a review of the CMA's decision in the Report, pursuant to section 120 of the Act;

'Key Staff' means staff in positions of executive or managerial responsibility and/or whose performance affects the viability of the business;

'Merger' means the completed acquisition by JD Sports of Footasylum;

'Monitoring Trustee' means the monitoring trustee appointed by JD Sports and PGL2 pursuant to the Monitoring Trustee Directions;

'Monitoring Trustee Directions' means the directions issued by the CMA to JD Sports and PGL2 to appoint a monitoring trustee on 7 October 2019;

'the Monitoring Trustee Mandate' means the mandate for the Monitoring Trustee originally dated 14 October 2019;

'ordinary course of business' means matters connected to the day-to-day supply of goods and/or services by the JD Sports business, Footasylum business or the Pentland business and does not include matters involving

significant changes to the organisational structure or related to the post-Merger integration of JD Sports, Footasylum and Pentland;

'PGL1' means the company named Pentland Group Limited prior to 1 December 2020 and named Pentland Group Holdings Limited since 1 December 2020, and is a company registered in Jersey with company number 129937;

'PGL2' means Pentland Group Limited, formerly known as Pentland Group plc, a company registered in England and Wales with company number 793577;

'Pentland' means PGL1 and PGL2 together and prior to 21 November 2019, refers to PGL2;

'Pentland business' means the business of Pentland and its subsidiaries, but excluding the JD Sports business and the Footasylum business, carried on as at the Commencement Date;

'Reference' means the reference of the Merger to a group of CMA panel members to make a determination pursuant to section 35 of the Act;

'Relationship Agreement' means the agreement entered into on 30 October 2014 between Pentland Group plc (now PGL2) and JD Sports;

'Remedy' means the divestiture of the Footasylum business as set out in Chapter 13 of the Report;

'Report' means the CMA's report titled '*Completed merger on the acquisition of Footasylum plc by JD Sports Fashion plc*' dated 6 May 2020;

'Specified Period' means the period between the Commencement Date and the date that this Order ceases to be in force in accordance with section 81(7) or (8) of the Act;

'SLC' means a substantial lessening of competition;

'subsidiary', unless otherwise stated, has the meaning given by section 1159 of the Companies Act 2006;

'UK' means the United Kingdom of Great Britain and Northern Ireland; and

unless the context requires otherwise, the singular shall include the plural and vice versa.

Kip Meek
Remittal Group Chairman

19 May 2021

Joint Compliance Statement for JD Sports Fashion plc and Footasylum Limited

We [insert names] confirm on behalf of JD Sports Fashion plc (**'JD Sports'**) and Footasylum Limited (**'Footasylum'**) that:

Compliance in the Relevant Period

1. In the period from [insert date] to [insert date] (the **'Relevant Period'**), JD Sports and Footasylum have complied with the Order made by the CMA in relation to the Merger on 19 May 2021 (the **'Order'**).
2. Subject to paragraphs 3 and 4 of the Order, and except with the prior written consent of the CMA:
 - (a) No action has been taken by JD Sports and Footasylum or their subsidiaries that might prejudice the Reference or impede the taking of any action by the CMA which may be justified by its decisions on the Reference, including any action which might:
 - (i) lead to the integration of the JD Sports business with the Footasylum business;
 - (ii) transfer the ownership or control of the JD Sports business or the Footasylum business or any of their subsidiaries; or
 - (iii) otherwise impair the ability of the JD Sports business or the Footasylum business to compete independently in any of the markets affected by the Merger.
 - (b) The Footasylum business has been carried on separately from the JD Sports business and the Footasylum business's separate sales or brand identity has been maintained.
 - (c) The Footasylum business and the JD Sports business have been maintained as going concerns and sufficient resources have been made available for the development of the Footasylum business and the JD Sports business on the basis of their respective pre-Merger business plans (as updated from time to time in the ordinary course of business), and having due regard to the need to maintain and/or preserve the Footasylum business and the JD Sports business as effective competitors and to all relevant circumstances as reasonably determined by the CMA.

- (d) No substantive changes have been made to the organisational structure of, or the management responsibilities within the Footasylum business or the JD Sports business, except in the ordinary course of business.
- (e) The nature, description, range and quality of goods and/or services supplied in the UK by the Footasylum business and the JD Sports business have been maintained and preserved.
- (f) Except in the ordinary course of business for the separate operation of the Footasylum business or the JD Sports business:
 - (i) all of the assets of the Footasylum business and the JD Sports business, including facilities and goodwill, have been maintained and preserved;
 - (ii) none of the assets of the Footasylum business and the JD Sports business have been disposed of; and
 - (iii) no interest in the assets of the Footasylum business and the JD Sports business has been created or disposed of.
- (g) There has been no integration of the information technology of the Footasylum business and the JD Sports business, and the software and hardware platforms of the Footasylum business have remained essentially unchanged, except for routine changes and maintenance.
- (h) The customer and supplier lists of the Footasylum business and the JD Sports business have been operated and updated separately and any negotiations with any existing or potential customers and suppliers in relation to the Footasylum business have been carried out by the Footasylum business alone and, for the avoidance of doubt, the JD Sports business has not negotiated on behalf of the Footasylum business (and vice versa) or entered into any joint agreements with the Footasylum business (and vice versa).
- (i) All existing contracts of the Footasylum business and the JD Sports business have been serviced by the business to which they were awarded.
- (j) No changes have been made to Key Staff of the Footasylum business or the JD Sports business.
- (k) No Key Staff have been transferred between the Footasylum business and the JD Sports business or vice versa.

- (l) All reasonable steps have been taken to encourage all Key Staff of the Footasylum business and the JD Sports business to remain with their respective business.
- (m) Except as permitted by the Order, no business secrets, know-how, commercially-sensitive information, intellectual property or any other information of a confidential or proprietary nature relating to either of the Footasylum business or the JD Sports business, has passed, directly or indirectly, from the Footasylum business on the one hand (or any of its employees, directors, agents or affiliates) to the JD Sports business on the other hand (or any of its employees, directors, agents or affiliates), or vice versa.
- (n) Except as listed in paragraph (o) below, there have been no:
 - (i) Key Staff that have left or joined the JD Sports business or the Footasylum business;
 - (ii) interruptions of the JD Sports business or the Footasylum business (including without limitation procurement, production, logistics, sales and employee relations arrangements) that have prevented it from operating in the ordinary course of business for more than 72 hours;
 - (iii) substantial customer volumes won or lost or substantial changes to the customer contracts for the JD Sports business or the Footasylum business;
 - (iv) substantial changes in the contractual arrangements between the JD Sports business or the Footasylum business and key suppliers; or
 - (v) substantial adverse changes in the financial position and/or performance of the JD Sports business or the Footasylum business.

(o) *[list of material developments]*

- 3. JD Sports and Footasylum and their subsidiaries remain in full compliance with the Order and will actively continue to keep the CMA informed of any material developments relating to the JD Sports business or the Footasylum business in accordance with paragraph 12 of the Order.

Interpretation

- 4. Terms defined in the Order have the same meaning in this compliance statement.

I understand that:

5. It is a criminal offence under section 117 of the Enterprise Act 2002 for a person recklessly or knowingly to supply to the CMA information which is false or misleading in any material respect. Breach of this provision can result in **finest, imprisonment for a term not exceeding two years, or both** (Section 117 of the Enterprise Act 2002).
6. Failure to comply with this order without reasonable excuse may result in the CMA imposing a **penalty of up to 5% of the total value of the turnover** (both in and outside the United Kingdom) of the enterprises owned or controlled by the person on whom the penalty is imposed (Section 94A of the Enterprise Act 2002).

FOR AND ON BEHALF OF JD SPORTS FASHION PLC

Signature

Name

Title

Date

FOR AND ON BEHALF OF FOOTASYLUM LIMITED

Signature

Name

Title

Date

**Compliance Statement for Pentland Group Holdings Limited (PGL1)
and Pentland Group Limited (PGL2) (PGL1 and PGL2 together,
Pentland)**

I [insert name] confirm on behalf of Pentland that:

Compliance in the Relevant Period

1. In the period from [insert date] to [insert date] (the '**Relevant Period**'), Pentland has complied with the Order made by the CMA in relation to the Merger on 19 May 2021 (the '**Order**').
2. Subject to paragraphs 3 and 4 of the Order, and except with the prior written consent of the CMA:
 - (a) No action has been taken by Pentland or its subsidiaries that might prejudice the Reference or impede the taking of any action by the CMA which may be justified by its decisions on the Reference, including any action which might:
 - i. lead to the integration of the Pentland business with the Footasylum business; or
 - ii. otherwise impair the ability of the Footasylum business to compete independently in any of the markets affected by the Merger.
 - (b) No action has been taken by Pentland to solicit the transfer of staff from the Footasylum business to Pentland.
 - (c) The Pentland business has been carried on separately from the Footasylum business and the separate sales or brand identity of the Footasylum business from the Pentland business has been maintained.
 - (d) There has been no integration of the information technology of the Pentland business and the Footasylum business.
 - (e) The customer and supplier lists of the Pentland business have been operated and updated separately from the Footasylum business and for the avoidance of doubt the Pentland business has not negotiated on behalf of the Footasylum business or entered into any joint agreements with the Footasylum business.

- (f) No Key Staff have been transferred between the Pentland business and the Footasylum business.
 - (g) Except as permitted by the Order, no business secrets, know-how, commercially-sensitive information, intellectual property or any other information of a confidential or proprietary nature relating to the Footasylum business, has passed, directly or indirectly, from the Footasylum business on the one hand (or any of its employees, directors, agents or affiliates) to the Pentland business on the other hand (or any of its employees, directors, agents or affiliates), or vice versa.
 - (h) Any commercial or other trading activities between the Pentland business and the Footasylum business have been conducted on an arm's length basis and on normal commercial terms.
 - (i) The Relationship Agreement has not been terminated.
 - (j) No material amendments have been made to the Relationship Agreement unless strictly necessary as a result of changes to the Listing Rules or any other regulatory or legislative requirement.
 - (k) [].
3. Pentland remains in full compliance with the Order and will continue actively to keep the CMA informed of any material developments in accordance with paragraph 13 of the Order.

Interpretation

4. Terms defined in the Order have the same meaning in this compliance statement.

I understand that:

- 5. It is a criminal offence under section 117 of the Enterprise Act 2002 for a person recklessly or knowingly to supply to the CMA information which is false or misleading in any material respect. Breach of this provision can result in **fines, imprisonment for a term not exceeding two years, or both** (Section 117 of the Enterprise Act 2002).
- 6. Failure to comply with this order without reasonable excuse may result in the CMA imposing a **penalty of up to 5% of the total value of the turnover** (both in and outside the United Kingdom) of the enterprises owned or controlled by the person on whom the penalty is imposed (Section 94A of the Enterprise Act 2002).

FOR AND ON BEHALF OF PENTLAND

Signature

Name

Title

Date

Schedule 1: Derogations and consents granted and directions issued

Derogations under the IEO

- [Derogation 14 October 2019](#) (Pentland)
- [Derogation 23 September 2019](#) (JD Sports)
- [Derogation 12 August 2019](#) (Pentland)
- [Derogation 8 August 2019](#) (JD Sports)
- [Derogation 5 August 2019](#) (Pentland)
- [Derogation 29 July 2019](#) (JD Sports)
- [Derogation 25 July 2019](#) (JD Sports)
- [Derogation 15 July 2019](#) (Footasylum)
- [Derogation 9 July 2019](#) (JD Sports)
- [Derogation 1 July 2019](#) (Pentland)
- [Derogation 28 June 2019](#) (Pentland)
- [Derogation 28 June 2019](#) (JD Sports)
- [Derogation 25 June 2019](#) (JD Sports)
- [Derogation 11 June 2019](#) (JD Sports)
- [Derogation 4 June 2019](#) (JD Sports)
- [Derogation 4 June 2019](#) (JD Sports and Footasylum)

Derogations under the IO

- [Derogation 18 June 2020](#) (JD Sports)
- [Derogation 11 June 2020](#) (JD Sports)
- [Derogation 5 June 2020](#) (Pentland)
- [Derogation 4 June 2020](#) (JD Sports)
- [Derogation 3 June 2020](#) (Pentland)
- [Derogation 7 May 2020](#) (Pentland)
- [Derogation 5 May 2020](#) (JD Sports)
- [Derogation 20 April 2020](#) (JD Sports)
- [Derogation 8 April 2020](#) (JD Sports)
- [Derogation 27 March 2020](#) (Footasylum)
- [Derogation 26 March 2020](#) (JD Sports)
- [Derogation 20 March 2020](#) (Pentland)
- [Derogation 18 March 2020](#) (Footasylum)
- [Derogation 18 March 2020](#) (JD Sports)
- [Derogation 17 March 2020](#) (Footasylum)
- [Derogation 13 March 2020](#) (Pentland)
- [Derogation 2 March 2020](#) (Pentland)
- [Derogation 2 March 2020](#) (Footasylum)
- [Derogation 25 February 2020](#) (Footasylum)
- [Derogation 20 February 2020](#) (JD Sports)
- [Derogation 10 February 2020](#) (Pentland)
- [Derogation 20 January 2020](#) (JD Sports)
- [Derogation 20 January 2020](#) (Pentland)
- [Derogation 19 December 2019](#) (Pentland)
- [Derogation 19 December 2019](#) (JD Sports)

- [Derogation 15 December 2019](#) (JD Sports)
- [Derogation 4 December 2019](#) (Pentland)
- [Derogation 27 November 2019](#) (JD Sports)
- [Derogation 30 November 2019](#) (JD Sports)

Consents under the Final Undertakings

- Derogation 17 May 2021 (Footasylum)
- [Derogation 15 April 2021](#) (Footasylum)
- [Derogation 18 January 2021](#) (Footasylum)
- [Derogation 26 November 2020](#) (Footasylum)
- [Derogation 19 October 2020](#) (Footasylum)
- [Derogation 9 October 2020](#) (Footasylum)
- [Derogation 28 September 2020](#) (JD Sports and Footasylum)
- [Derogation 11 September 2020](#) (Footasylum)
- [Derogation 11 August 2020](#) (Footasylum)
- [Derogation 11 August 2020](#) (Footasylum)
- [Derogation 17 July 2020](#) (Footasylum)

Directions

- [Directions 13 March 2020](#) (Footasylum under the IO)
- [Directions to appoint a monitoring trustee 7 October 2019](#) (JD Sports and Pentland under the IEO)