

ACQUISITION BY ASDA STORES LIMITED OF ARTHUR FOODSTORES LIMITED

Initial Enforcement Order made by the Competition and Markets Authority pursuant to section 72(2) of the Enterprise Act 2002 (the Act)

Whereas:

- (a) the Competition and Markets Authority (**CMA**) has reasonable grounds for suspecting that it is or may be the case that arrangements are in progress or in contemplation which, if carried into effect, will result in Asda Stores Limited (**Asda**) and Arthur Foodstores Limited (**Arthur**) ceasing to be distinct;
- (b) the CMA is considering whether to make a reference under section 22 or 33 of the Act;
- (c) Asda is a private limited company which is the wholly owned subsidiary of Asda Group Limited (**Asda Group**) and indirectly jointly controlled by Mr Zuber Issa, Mr Mohsin Issa, TDR Capital III Portfolio No. 2 L.P. and TDR Capital III Investments (2019) L.P., being funds managed by TDR Capital LLP;
- (d) Arthur is a shell company, which consists of the foodstore and petrol fuel filling assets (for instance the leasehold properties and plant or equipment) and relevant businesses carved out from Co-operative Group Food Limited and Co-operative Foodstores Limited. Co-operative Group Limited (**Co-op**) owns and manages the relevant contracts, employees, intellectual property rights and goodwill assets, which are necessary to operate the business of Arthur;
- (e) the CMA wishes to ensure that no action is taken pending final determination of any reference under sections 22 or 33 of the Act which might prejudice that 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; and

- (f) the circumstances set out in section 72(6) of the Act do not apply and the reference has not been finally determined in accordance with section 79(1) of the Act.

Now for the purposes of preventing pre-emptive action in accordance with section 72(2) of the Act the CMA makes the following order addressed to Mr Zuber Issa, Mr Mohsin Issa, TDR Capital LLP (as manager of the TDR Capital investment funds (**TDR Capital**)), TDR Capital III Portfolio No. 2 L.P., TDR Capital III Investments (2019) L.P., Asda Group, Asda, Co-op and Arthur (**Order**).

Commencement, application and scope

1. This Order commences on the commencement date: being the date of completion of the transaction.
2. This Order applies to Mr Zuber Issa, Mr Mohsin Issa, TDR Capital, TDR Capital III Portfolio No. 2 L.P., TDR Capital III Investments (2019) L.P., Asda Group, Asda, Co-op, and Arthur.
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 Mr Zuber Issa, Mr Mohsin Issa, TDR Capital, TDR Capital III Portfolio No. 2 L.P., TDR Capital III Investments (2019) L.P., Asda Group, Asda, Co-op, or Arthur to reverse any act or omission, in each case to the extent that it occurred or was completed prior to the commencement date.
4. This Order does not prohibit the completion of the transaction provided that Mr Zuber Issa, Mr Mohsin Issa, TDR Capital, TDR Capital III Portfolio No. 2 L.P., TDR Capital III Investments (2019) L.P., Asda Group, Asda, Co-op and Arthur observe the restrictions set out below.

Management of the Asda and Arthur businesses until determination of proceedings

5. Except with the prior written consent of the CMA, Mr Zuber Issa, Mr Mohsin Issa, TDR Capital, TDR Capital III Portfolio No. 2 L.P., TDR Capital III Investments (2019) L.P., Asda Group, Asda, Co-op and Arthur shall not, during the specified period, take any action which might prejudice a reference of the transaction under section 22 or 33 of the Act or impede the taking of any action under the Act by the CMA which may be justified by the CMA's decisions on such a reference, including any action which might:
 - (a) lead to the integration of the Arthur business with the Asda business;

- (b) transfer the ownership or control of the Asda business or the Arthur business or any of their subsidiaries; or
 - (c) otherwise impair the ability of the Arthur business or the Asda business to compete independently in any of the markets affected by the transaction.
- 6. Further and without prejudice to the generality of paragraph 5 and subject to paragraph 3, Mr Zuber Issa, Mr Mohsin Issa, TDR Capital, TDR Capital III Portfolio No. 2 L.P., TDR Capital III Investments (2019) L.P., Asda Group, Asda, Co-op and Arthur shall at all times during the specified period take all necessary steps to ensure that, except with the prior written consent of the CMA:
 - (a) the Arthur business is carried on separately from the Asda business and the Arthur business's separate sales or brand identity is maintained;
 - (b) the Arthur business and the Asda business are maintained as a going concern and sufficient resources are made available for the development of the Arthur business and the Asda business, on the basis of their respective pre-merger business plans;
 - (c) except in the ordinary course of business, no significant changes are made to the organisational structure of, or the management responsibilities within, the Arthur business or the Asda business;
 - (d) the nature, description, range and quality of goods or services (or both) supplied in the UK by each of the two businesses are maintained and preserved;
 - (e) except in the ordinary course of business through the separate operation of the two businesses:
 - (i) all of the assets of the Arthur business and the Asda business are maintained and preserved, including facilities and goodwill;
 - (ii) none of the assets of the Arthur business or the Asda business are disposed of; and
 - (iii) no interest in the assets of the Arthur business or the Asda business is created or disposed of;
 - (f) there is no integration of the information technology of the Arthur or Asda businesses, and the software and hardware platforms of the Arthur business shall remain essentially unchanged, except for routine changes and maintenance;

- (g) the customer and supplier lists of the two businesses shall be operated and updated separately and any negotiations with any existing or potential customers and suppliers in relation to the Arthur business will be carried out by the Arthur business alone and for the avoidance of doubt the Asda business, Mr Zuber Issa, Mr Mohsin Issa, TDR Capital, TDR Capital III Portfolio No. 2 L.P., TDR Capital III Investments (2019) L.P., and Asda Group, will not negotiate on behalf of the Arthur business (and vice versa) or enter into any joint agreements with the Arthur business (and vice versa);
- (h) all contracts of the Arthur business and the Asda business continue to be serviced by the business to which they were awarded;
- (i) no changes are made to key staff of the Arthur business or Asda business;
- (j) no key staff are transferred between the Arthur business and the Asda business;
- (k) all reasonable steps are taken to encourage all key staff to remain with the Arthur business and the Asda 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 two businesses shall pass, directly or indirectly, from Co-op and the Arthur business (or any of its employees, directors, agents or affiliates) to Mr Zuber Issa, Mr Mohsin Issa, TDR Capital, TDR Capital III Portfolio No. 2 L.P., TDR Capital III Investments (2019) L.P., Asda Group, or any of their subsidiaries (or in the case of TDR Capital any entities that they manage), or to the Asda business (or any of their employees, directors, agents or affiliates), or vice versa, except where strictly necessary in the ordinary course of business (including, for example, where required for compliance with external regulatory and/or accounting obligations or for due diligence, integration planning or the completion of any merger control proceedings relating to the transaction) and on the basis that, should the transaction 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.

Compliance

7. Mr Zuber Issa, Mr Mohsin Issa, TDR Capital, TDR Capital III Portfolio No. 2 L.P., TDR Capital III Investments (2019) L.P., Asda Group, Asda, Co-op and

Arthur shall take all necessary steps to ensure that each of their subsidiaries (or in the case of TDR Capital, any entities they manage) comply with this Order as if the Order had been issued to each of them.

8. Mr Zuber Issa, Mr Mohsin Issa, TDR Capital, TDR Capital III Portfolio No. 2 L.P., TDR Capital III Investments (2019) L.P., Asda Group, Asda, Co-op and Arthur 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 Mr Zuber Issa, Mr Mohsin Issa, TDR Capital, TDR Capital III Portfolio No. 2 L.P., TDR Capital III Investments (2019) L.P., Asda Group, Asda, Co-op and Arthur and their subsidiaries (or in the case of TDR Capital, any entities they manage) with this Order. In particular, on the date falling two weeks from commencement of the Order and subsequently every two weeks (or, where this does not fall on a working day, the first working day thereafter), Mr Zuber Issa and Mr Mohsin Issa, as well as a member / designated member of TDR Capital (in its capacity as manager of TDR Capital III Portfolio No. 2 L.P. and TDR Capital III Investments (2019) L.P.), Asda Group, Asda, Co-op and Arthur, or other persons on behalf of Mr Zuber Issa, Mr Mohsin Issa, TDR Capital, Asda Group, Asda, Co-op and Arthur as agreed with the CMA shall, on behalf of each of Mr Zuber Issa, Mr Mohsin Issa, TDR Capital (on behalf of TDR Capital, TDR Capital III Portfolio No. 2 L.P., TDR Capital III Investments (2019) L.P.), Asda Group, Asda, Co-op and Arthur provide a statement to the CMA in the form set out in the Annexes to this Order confirming compliance with this Order.
9. At all times, Mr Zuber Issa, Mr Mohsin Issa, TDR Capital, TDR Capital III Portfolio No. 2 L.P., TDR Capital III Investments (2019) L.P., Asda Group, Asda, Co-op and Arthur shall actively keep the CMA informed of any material developments relating to the Arthur business or the Asda business, which includes but is not limited to:
 - (a) details of key staff who leave or join the Arthur business or the Asda business;
 - (b) any interruption of the Arthur or Asda 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 24 hours;
 - (c) all substantial customer volumes won or lost or substantial changes to the customer contracts for the Arthur or Asda business including any substantial changes in customers' demand; and

- (d) substantial changes in the Arthur or Asda business's contractual arrangements or relationships with key suppliers.
10. If any one of Mr Zuber Issa, Mr Mohsin Issa, TDR Capital, TDR Capital III Portfolio No. 2 L.P., TDR Capital III Investments (2019) L.P., Asda Group, Asda, Co-op or Arthur has any reason to suspect that this Order might have been breached it shall immediately notify the CMA and any monitoring trustee that Mr Zuber Issa, Mr Mohsin Issa, TDR Capital, TDR Capital III Portfolio No. 2 L.P., TDR Capital III Investments (2019) L.P., Asda Group, or Asda, Co-op or Arthur (or all) may be directed to appoint under paragraph 11.
 11. 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 any directions so given.
 12. Mr Zuber Issa, Mr Mohsin Issa, TDR Capital, TDR Capital III Portfolio No. 2 L.P., TDR Capital III Investments (2019) L.P., Asda Group, Asda, Co-op and Arthur 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

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

'Arthur' means Arthur Foodstores Limited, a company registered in England and Wales with company number 13966522;

'the Arthur business' means the business of Arthur and its affiliates carried on as at the commencement date, which, for the avoidance of doubt, includes the business and assets that were carved out pursuant to the Sale and Purchase Agreement dated 2 April 2022 from Co-operative Group Food Limited and Co-operative Foodstores Limited, as well as all the assets necessary to sustain the competitive capability of Arthur;

'Asda' means Asda Stores Limited, a company registered in England and Wales with company number 00464777;

‘Asda Group’ means Asda Group Limited, a company registered in England and Wales with company number 01396513;

‘the Asda business’ means the business of Asda and its affiliates carried on as at the commencement date, which, for the avoidance of doubt, excludes the Arthur business and the business of any companies managed by TDR that are not active in markets (or market segments) that the Asda or the Arthur business are active in and includes the business carried on by Asda Group and its affiliates, as well as the EG business;

‘the EG business’ means the business of EG and its subsidiaries but excluding, for the avoidance of doubt, the Asda business and the Arthur business carried on as at the commencement date;

‘the Act’ means the Enterprise Act 2002;

‘an 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;

‘commencement date’ means the date of completion;

‘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;

‘Co-operative Foodstores Limited’ is a society registered in England and Wales with company number IP032443;

‘Co-operative Group Food Limited’ is a society registered in England and Wales with company number IP26715R;

‘Co-op’ means Co-operative Group Limited, a society registered in England and Wales with company number IP00525R;

‘the decisions’ means the decisions of the CMA on the questions which it is required to answer by virtue of section 35 or 36 of the Act;

‘EG’ means EG Group Limited, a company registered in England and Wales with company number 09826582;

'Mr Mohsin Issa' refers to Mr Mohsin Issa of Waterside Head Office, Haslingden Road, Blackburn, BB1 2FA;

'Mr Zuber Issa' refers to Mr Zuber Issa of Waterside Head Office, Haslingden Road, Blackburn, BB1 2FA;

'key staff' means staff in positions of (i) executive or managerial responsibility or (ii) whose performance affects the viability of the business;

'the ordinary course of business' means matters connected to the day-to-day supply of goods or services (or both) by the Arthur or the Asda business and does not include matters involving significant changes to the organisational structure or related to the post-merger integration of Arthur and Asda;

'specified period' means the period beginning on the commencement date and terminating in accordance with section 72(6) of the Act;

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

'TDR Capital' refers to TDR Capital LLP, a company registered in England and Wales, having its registered office at 20 Bentinck Street, London W1U 2EU, and registration number OC302604;

'TDR Capital III Investments (2019) L.P.' refers to a limited partnership registered in England and Wales, having its registered office at 20 Bentinck Street, London W1U 2EU, and registration number LP019903;

'TDR Capital III Portfolio No. 2 L.P.' refers to a private fund limited partnership registered in England and Wales, having its registered office at 20 Bentinck Street, London W1U 2EU, and registration number LP021664;

'the transaction' means the transaction as defined in the Share and Purchase Agreement of 31 August 2022, by which Asda and Arthur will cease to be distinct within the meaning of section 23 of the Act;

'the two businesses' means the Asda business and the Arthur business;

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

[✂]

Tim Geer
Director, Mergers

Compliance statement for [Mr Zuber Issa / Mr Mohsin Issa]

I [insert name] confirm on behalf of [Mr Zuber Issa / Mr Mohsin Issa] that:

Compliance in the Relevant Period

1. In the period from [insert date] to [insert date] (the Relevant Period):
 - (a) [Mr Zuber Issa / Mr Mohsin Issa] has complied with the Order made by the CMA in relation to the transaction on [insert date of this Order] (the Order).
 - (b) [Mr Zuber Issa's / Mr Mohsin Issa's] subsidiaries have also complied with this Order.
2. Subject to paragraph 3 of the Order, and except with the prior written consent of the CMA:
 - (a) No action has been taken by [Mr Zuber Issa / Mohsin Issa] that might prejudice a reference of the transaction under section 22 or section 33 of the Act or impede the taking of any action by the CMA which may be justified by its decision on such a reference, including any action which might:
 - (i) lead to the integration of the Arthur business with the Asda business;
 - (ii) transfer the ownership or control of the Asda business or the Arthur business or any of their subsidiaries; or
 - (iii) otherwise impair the ability of the Arthur business or the Asda business to compete independently in any of the markets affected by the transaction.
 - (b) The Arthur business has been carried on separately from the Asda business and the Arthur business's separate sales or brand identity has been maintained.
 - (c) The Arthur business and the Asda business have been maintained as a going concern and sufficient resources have been made available for the development of the Arthur business and the Asda business, on the basis of their respective pre-merger business plans.

- (d) No significant changes have been made to the organisational structure of, or the management responsibilities within, the Arthur business or the Asda business, except in the ordinary course of business.
- (e) The nature, description, range and quality of goods or services (or both) supplied in the UK by the Arthur business and the Asda business have been maintained and preserved.
- (f) Except in the ordinary course of business for the separate operation of the two businesses:
 - (i) all of the assets of the Arthur business and the Asda business, including facilities and goodwill, have been maintained and preserved as at the start of the Relevant Period;
 - (ii) none of the assets of the Arthur business or the Asda business have been disposed of; and
 - (iii) no interest in the assets of the Arthur business or the Asda business has been created or disposed of.
- (g) There has been no integration of the information technology of the Arthur or Asda businesses, and the software and hardware platforms of the Arthur business have remained essentially unchanged, except for routine changes and maintenance.
- (h) Subject to integration which had occurred prior to the commencement date, the customer and supplier lists of the two businesses have been operated and updated separately and any negotiations with any existing or potential customers and suppliers in relation to the Arthur business have been carried out by the Arthur business alone and, for the avoidance of doubt, the Asda business, [Mr Zuber Issa / Mr Mohsin Issa] and [Mr Zuber Issa's / Mr Mohsin Issa's] subsidiaries have not negotiated on behalf of the Arthur business (and vice versa) or entered into any joint agreements with the Arthur business (and vice versa).
- (i) All contracts of the Arthur business and the Asda business have been serviced by the business to which they were awarded, except to the extent novated, assigned or subcontracted prior to the commencement date.
- (j) No changes have been made to key staff of the Arthur business or the Asda business.

- (k) No key staff have been transferred between the Arthur business and the Asda business.
- (l) All reasonable steps have been taken to encourage all key staff to remain with the Arthur business and the Asda 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 two businesses, has passed, directly or indirectly, from Co-op and the Arthur business (or any of its employees, directors, agents or affiliates) to the Asda business, [Mr Zuber Issa / Mr Mohsin Issa] and [Mr Zuber Issa's / Mr Mohsin Issa's] subsidiaries (or any of their 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 Arthur business or the Asda business;
 - (ii) interruptions of the Arthur business or the Asda 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 24 hours;
 - (iii) substantial customer volumes won or lost or substantial changes to the customer contracts for the Arthur business or the Asda business;
or
 - (iv) substantial changes in the Arthur or Asda business's contractual arrangements or relationships with key suppliers.

(o) *[list of material developments]*

3. [Mr Zuber Issa / Mr Mohsin Issa], [Mr Zuber Issa's / Mr Mohsin Issa's] subsidiaries, as well as the Asda business remain in full compliance with the Order and will continue actively to keep the CMA informed of any material developments relating to the Arthur or the Asda business in accordance with paragraph 9 of the Order and of any potential breach by [Mr Zuber Issa / Mr Mohsin Issa], [Mr Zuber Issa's / Mr Mohsin Issa's] subsidiaries as well as the Asda business (as well as other addressees of the IEO and their subsidiaries or entities they manage) in accordance with paragraph 10 of the Order.

Interpretation

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

I understand that:

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 **fining, imprisonment for a term not exceeding two years, or both.** (Section 117 of the Enterprise Act 2002.)

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] [Mr Zuber Issa / Mr Mohsin Issa]

Signature

Name

Title

Date

Compliance statement for TDR Capital

I [insert name] confirm on behalf of TDR Capital that:

Compliance in the Relevant Period

1. In the period from [insert date] to [insert date] (the Relevant Period):
 - (a) TDR Capital has complied with the Order made by the CMA in relation to the transaction on [insert date of this Order] (the Order).
 - (b) Any subsidiaries/ entities managed by TDR Capital as well as the Asda business have also complied with this Order.
2. Subject to paragraph 3 of the Order, and except with the prior written consent of the CMA:
 - (a) No action has been taken by TDR Capital that might prejudice a reference of the transaction under section 22 and section 33 of the Act or impede the taking of any action by the CMA which may be justified by its decision on such a reference, including any action which might:
 - (i) lead to the integration of the Arthur business with the Asda business;
 - (ii) transfer the ownership or control of the Asda business or the Arthur business or any of their subsidiaries; or
 - (iii) otherwise impair the ability of the Arthur business or the Asda business to compete independently in any of the markets affected by the transaction.
 - (b) The Arthur business has been carried on separately from the Asda business and the Arthur business's separate sales or brand identity has been maintained.
 - (c) The Arthur business and the Asda business have been maintained as a going concern and sufficient resources have been made available for the development of the Arthur business and the Asda business, on the basis of their respective pre-merger business plans.
 - (d) No significant changes have been made to the organisational structure of, or the management responsibilities within, the Arthur business or the Asda business, except in the ordinary course of business.

- (e) The nature, description, range and quality of goods or services (or both) supplied in the UK by the Arthur business and the Asda business have been maintained and preserved.
- (f) Except in the ordinary course of business for the separate operation of the two businesses:
 - (i) all of the assets of the Arthur business and the Asda business, including facilities and goodwill, have been maintained and preserved as at the start of the Relevant Period;
 - (ii) none of the assets of the Arthur business or the Asda business have been disposed of; and
 - (iii) no interest in the assets of the Arthur business or the Asda business has been created or disposed of.
- (g) There has been no integration of the information technology of the Arthur or Asda businesses, and the software and hardware platforms of the Arthur business have remained essentially unchanged, except for routine changes and maintenance.
- (h) Subject to integration which had occurred prior to the commencement date, the customer and supplier lists of the two businesses have been operated and updated separately and any negotiations with any existing or potential customers and suppliers in relation to the Arthur business have been carried out by the Arthur business alone and, for the avoidance of doubt, the Asda business, TDR Capital and any entities it manages / its subsidiaries, have not negotiated on behalf of the Arthur business (and vice versa) or entered into any joint agreements with the Arthur business (and vice versa).
- (i) All contracts of the Arthur business and the Asda business have been serviced by the business to which they were awarded, except to the extent novated, assigned or subcontracted prior to the commencement date.
- (j) No changes have been made to key staff of the Arthur business or the Asda business.
- (k) No key staff have been transferred between the Arthur business and the Asda business.
- (l) All reasonable steps have been taken to encourage all key staff to remain with the Arthur business and the Asda 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 two businesses, has passed, directly or indirectly, from Co-op and the Arthur business (or any of its employees, directors, agents or affiliates) to the Asda business, TDR Capital and any entities it manages / its subsidiaries, (or any of their 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 Arthur business or the Asda business;
- (ii) interruptions of the Arthur business or the Asda 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 24 hours;
- (iii) substantial customer volumes won or lost or substantial changes to the customer contracts for the Arthur business or the Asda business; or
- (iv) substantial changes in the Arthur or Asda business's contractual arrangements or relationships with key suppliers.

(o) *[list of material developments]*

3. TDR Capital, the subsidiaries / entities it manages as well as the Asda business remain in full compliance with the Order and will continue actively to keep the CMA informed of any material developments relating to the Arthur or the Asda business in accordance with paragraph 9 of the Order and of any potential breach by TDR Capital, the subsidiaries / entities it manages, and the Asda business (as well as other addressees of the IEO and their subsidiaries) in accordance with paragraph 10 of the Order.

Interpretation

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

I understand that:

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 **fin**
es, imprisonment for a term not exceeding two years, or both. (Section
117 of the Enterprise Act 2002.)

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 TDR Capital

Signature

Name

Title

Date

Compliance statement for [TDR Capital III Portfolio No. 2 L.P. / TDR Capital III Investments (2019) L.P.]

I [insert name] confirm on behalf of [TDR Capital III Portfolio No. 2 L.P. / TDR Capital III Investments (2019) L.P.] that:

Compliance in the Relevant Period

1. In the period from [insert date] to [insert date] (the Relevant Period):
 - (a) [TDR Capital III Portfolio No. 2 L.P. / TDR Capital III Investments (2019) L.P.] has complied with the Order made by the CMA in relation to the transaction on [insert date of this Order] (the Order).
 - (b) Any subsidiaries/ entities managed by [TDR Capital III Portfolio No. 2 L.P. / TDR Capital III Investments (2019) L.P.] as well as the Asda business have also complied with this Order.
2. Subject to paragraph 3 of the Order, and except with the prior written consent of the CMA:
 - (a) No action has been taken by [TDR Capital III Portfolio No. 2 L.P. / TDR Capital III Investments (2019) L.P.] that might prejudice a reference of the transaction under section 22 of the Act or impede the taking of any action by the CMA which may be justified by its decision on such a reference, including any action which might:
 - (i) lead to the integration of the Arthur business with the Asda business;
 - (ii) transfer the ownership or control of the Asda business or the Arthur business or any of their subsidiaries; or
 - (iii) otherwise impair the ability of the Arthur business or the Asda business to compete independently in any of the markets affected by the transaction.
 - (b) The Arthur business has been carried on separately from the Asda business and the Arthur business's separate sales or brand identity has been maintained.
 - (c) The Arthur business and the Asda business have been maintained as a going concern and sufficient resources have been made available for the

development of the Arthur business and the Asda business, on the basis of their respective pre-merger business plans.

- (d) No significant changes have been made to the organisational structure of, or the management responsibilities within, the Arthur business or the Asda business, except in the ordinary course of business.
- (e) The nature, description, range and quality of goods or services (or both) supplied in the UK by the Arthur business and the Asda business have been maintained and preserved.
- (f) Except in the ordinary course of business for the separate operation of the two businesses:
 - (i) all of the assets of the Arthur business and the Asda business, including facilities and goodwill, have been maintained and preserved as at the start of the Relevant Period;
 - (ii) none of the assets of the Arthur business or the Asda business have been disposed of; and
 - (iii) no interest in the assets of the Arthur business or the Asda business has been created or disposed of.
- (g) There has been no integration of the information technology of the Arthur or Asda businesses, and the software and hardware platforms of the Arthur business have remained essentially unchanged, except for routine changes and maintenance.
- (h) Subject to integration which had occurred prior to the commencement date, the customer and supplier lists of the two businesses have been operated and updated separately and any negotiations with any existing or potential customers and suppliers in relation to the Arthur business have been carried out by the Arthur business alone and, for the avoidance of doubt, the Asda business, [TDR Capital III Portfolio No. 2 L.P. / TDR Capital III Investments (2019) L.P.], and their subsidiaries have not negotiated on behalf of the Arthur business (and vice versa) or entered into any joint agreements with the Arthur business (and vice versa).
- (i) All contracts of the Arthur business and the Asda business have been serviced by the business to which they were awarded, except to the extent novated, assigned or subcontracted prior to the commencement date.

- (j) No changes have been made to key staff of the Arthur business or the Asda business.
- (k) No key staff have been transferred between the Arthur business and the Asda business.
- (l) All reasonable steps have been taken to encourage all key staff to remain with the Arthur business and the Asda 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 two businesses, has passed, directly or indirectly, from Co-op and the Arthur business (or any of its employees, directors, agents or affiliates) to the Asda business, [TDR Capital III Portfolio No. 2 L.P. / TDR Capital III Investments (2019) L.P.] and their subsidiaries (or any of their 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 Arthur business or the Asda business;
 - (ii) interruptions of the Arthur business or the Asda 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 24 hours;
 - (iii) substantial customer volumes won or lost or substantial changes to the customer contracts for the Arthur business or the Asda business; or
 - (iv) substantial changes in the Arthur or Asda business's contractual arrangements or relationships with key suppliers.

(o) *[list of material developments]*

3. [TDR Capital III Portfolio No. 2 L.P. / TDR Capital III Investments (2019) L.P.] and its subsidiaries, as well as the Asda business remain in full compliance with the Order and will continue actively to keep the CMA informed of any material developments relating to the Arthur or the Asda business in accordance with paragraph 9 of the Order and of any potential breach by [TDR Capital III Portfolio No. 2 L.P. / TDR Capital III Investments (2019) L.P.], its subsidiaries, the Asda business (as well as other addressees of the IEO

and their subsidiaries / entities they manage) in accordance with paragraph 10 of the Order.

Interpretation

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

I understand that:

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 **finances, imprisonment for a term not exceeding two years, or both**. (Section 117 of the Enterprise Act 2002.)

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 [TDR Capital III Portfolio No. 2 L.P. / TDR Capital III Investments (2019) L.P.]

Signature

Name

Title

Date

Compliance statement for [Asda / Asda Group]

I [insert name] confirm on behalf of [Asda / Asda Group] that:

Compliance in the Relevant Period

1. In the period from [insert date] to [insert date] (the Relevant Period):
 - (a) [Asda / Asda Group] has complied with the Order made by the CMA in relation to the transaction on [insert date of this Order] (the Order).
 - (b) [Asda's / Asda Group's] subsidiaries have also complied with this Order.
2. Subject to paragraph 3 of the Order, and except with the prior written consent of the CMA:
 - (a) No action has been taken by [Asda / Asda Group] that might prejudice a reference of the transaction under section 22 and section 33 of the Act or impede the taking of any action by the CMA which may be justified by its decision on such a reference, including any action which might:
 - (i) lead to the integration of the Arthur business with the Asda business;
 - (ii) transfer the ownership or control of the Asda business or the Arthur business or any of their subsidiaries; or
 - (iii) otherwise impair the ability of the Arthur business or the Asda business to compete independently in any of the markets affected by the transaction.
 - (b) The Arthur business has been carried on separately from the Asda business and the Arthur business's separate sales or brand identity has been maintained.
 - (c) The Arthur business and the Asda business have been maintained as a going concern and sufficient resources have been made available for the development of the Arthur business and the Asda business, on the basis of their respective pre-merger business plans.
 - (d) No significant changes have been made to the organisational structure of, or the management responsibilities within, the Arthur business or the Asda business, except in the ordinary course of business.

- (e) The nature, description, range and quality of goods or services (or both) supplied in the UK by the Arthur business and the Asda business have been maintained and preserved.
- (f) Except in the ordinary course of business for the separate operation of the two businesses:
 - (i) all of the assets of the Arthur business and the Asda business, including facilities and goodwill, have been maintained and preserved as at the start of the Relevant Period;
 - (ii) none of the assets of the Arthur business or the Asda business have been disposed of; and
 - (iii) no interest in the assets of the Arthur business or the Asda business has been created or disposed of.
- (g) There has been no integration of the information technology of the Arthur or Asda businesses, and the software and hardware platforms of the Arthur business have remained essentially unchanged, except for routine changes and maintenance.
- (h) Subject to integration which had occurred prior to the commencement date, the customer and supplier lists of the two businesses have been operated and updated separately and any negotiations with any existing or potential customers and suppliers in relation to the Arthur business have been carried out by the Arthur business alone and, for the avoidance of doubt, the Asda business, Asda Group, Mr Zuber Issa, Mr Mohsin Issa, TDR Capital, TDR Capital III Portfolio No. 2 L.P., and TDR Capital III Investments (2019) L.P. have not negotiated on behalf of the Arthur business (and vice versa) or entered into any joint agreements with the Arthur business (and vice versa).
- (i) All contracts of the Arthur business and the Asda business have been serviced by the business to which they were awarded, except to the extent novated, assigned or subcontracted prior to the commencement date.
- (j) No changes have been made to key staff of the Arthur business or the Asda business.
- (k) No key staff have been transferred between the Arthur business and the Asda business.
- (l) All reasonable steps have been taken to encourage all key staff to remain with the Arthur business and the Asda 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 two businesses, has passed, directly or indirectly, from Co-op and the Arthur business (or any of its employees, directors, agents or affiliates) to Asda Group, Mr Zuber Issa, Mr Mohsin Issa, TDR Capital, TDR Capital III Portfolio No. 2 L.P., TDR Capital III Investments (2019) L.P., or the Asda business (or any of their 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 Arthur business or the Asda business;
- (ii) interruptions of the Arthur business or the Asda 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 24 hours;
- (iii) substantial customer volumes won or lost or substantial changes to the customer contracts for the Arthur business or the Asda business; or
- (iv) substantial changes in the Arthur or Asda business's contractual arrangements or relationships with key suppliers.

(o) *[list of material developments]*

3. [Asda / Asda Group] and its subsidiaries remain in full compliance with the Order and will continue actively to keep the CMA informed of any material developments relating to the Arthur or the Asda business in accordance with paragraph 9 of the Order and of any potential breach by Asda Group, Mr Zuber Issa, Mr Mohsin Issa, TDR Capital, TDR Capital III Portfolio No. 2 L.P., TDR Capital III Investments (2019) L.P. or any of their subsidiaries (or in the case of TDR Capital any entities that it manages) as well as the Asda business, in accordance with paragraph 10 of the Order.

Interpretation

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

I understand that:

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 **fining, imprisonment for a term not exceeding two years, or both.** (Section 117 of the Enterprise Act 2002.)

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 [ASDA / ASDA GROUP]

Signature

Name

Title

Date

Compliance statement for Co-op

I [insert name] confirm on behalf of Co-op that:

Compliance in the Relevant Period

1. In the period from [insert date] to [insert date] (the Relevant Period):
 - (a) Co-op has complied with the Order made by the CMA in relation to the transaction on [insert date of this Order] (the Order).
 - (b) Co-op's subsidiaries have also complied with this Order.
2. Subject to paragraph 3 of the Order, and except with the prior written consent of the CMA:
 - (a) No action has been taken by Co-op that might prejudice a reference of the transaction under section 22 and section 33 of the Act or impede the taking of any action by the CMA which may be justified by its decision on such a reference, including any action which might:
 - (i) lead to the integration of the Arthur business with the Asda business;
 - (ii) transfer the ownership or control of the Asda business or the Arthur business or any of their subsidiaries; or
 - (iii) otherwise impair the ability of the Arthur business or the Asda business to compete independently in any of the markets affected by the transaction.
 - (b) The Arthur business has been carried on separately from the Asda business and the Arthur business's separate sales or brand identity has been maintained.
 - (c) The Arthur business and the Asda business have been maintained as a going concern and sufficient resources have been made available for the development of the Arthur business and the Asda business, on the basis of their respective pre-merger business plans.
 - (d) No significant changes have been made to the organisational structure of, or the management responsibilities within, the Arthur business or the Asda business, except in the ordinary course of business.

- (e) The nature, description, range and quality of goods or services (or both) supplied in the UK by the Arthur business and the Asda business have been maintained and preserved.
- (f) Except in the ordinary course of business for the separate operation of the two businesses:
 - (i) all of the assets of the Arthur business and the Asda business, including facilities and goodwill, have been maintained and preserved as at the start of the Relevant Period;
 - (ii) none of the assets of the Arthur business or the Asda business have been disposed of; and
 - (iii) no interest in the assets of the Arthur business or the Asda business has been created or disposed of.
- (g) There has been no integration of the information technology of the Arthur or Asda businesses, and the software and hardware platforms of the Arthur business have remained essentially unchanged, except for routine changes and maintenance.
- (h) Subject to integration which had occurred prior to the commencement date, the customer and supplier lists of the two businesses have been operated and updated separately and any negotiations with any existing or potential customers and suppliers in relation to the Arthur business have been carried out by the Arthur business alone and, for the avoidance of doubt, the Asda business, Asda Group, Mr Zuber Issa, Mr Mohsin Issa, TDR Capital, TDR Capital III Portfolio No. 2 L.P., TDR Capital III Investments (2019) L.P. have not negotiated on behalf of the Arthur business (and vice versa) or entered into any joint agreements with the Arthur business (and vice versa).
- (i) All contracts of the Arthur business and the Asda business have been serviced by the business to which they were awarded, except to the extent novated, assigned or subcontracted prior to the commencement date.
- (j) No changes have been made to key staff of the Arthur business or the Asda business.
- (k) No key staff have been transferred between the Arthur business and the Asda business.

- (l) All reasonable steps have been taken to encourage all key staff to remain with the Arthur business and the Asda 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 two businesses, has passed, directly or indirectly, from Co-op and the Arthur business (or any of its employees, directors, agents or affiliates) to Mr Zuber Issa, Mr Mohsin Issa, TDR Capital, TDR Capital III Portfolio No. 2 L.P., TDR Capital III Investments (2019) L.P., Asda Group, the Asda business (or any of their 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 Arthur business or the Asda business;
 - (ii) interruptions of the Arthur business or the Asda 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 24 hours;
 - (iii) substantial customer volumes won or lost or substantial changes to the customer contracts for the Arthur business or the Asda business;
or
 - (iv) substantial changes in the Arthur or Asda business's contractual arrangements or relationships with key suppliers.

(o) *[list of material developments]*

3. Co-op and its subsidiaries remain in full compliance with the Order and will continue actively to keep the CMA informed of any material developments relating to the Arthur or the Asda business in accordance with paragraph 9 of the Order and of any potential breach by the Arthur business or Mr Zuber Issa, Mr Mohsin Issa, TDR Capital, TDR Capital III Portfolio No.2 L.P., TDR Capital III Investments (2019) L.P., Asda Group, or any of their subsidiaries (or in the case of TDR Capital any entities that it manages) as well as the Asda business, in accordance with paragraph 10 of the Order.

Interpretation

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

I understand that:

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.)

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 CO-OP

Signature

Name

Title

Date

Compliance statement for Arthur

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

Compliance in the Relevant Period

1. In the period from [insert date] to [insert date] (the Relevant Period):
 - (a) Arthur has complied with the Order made by the CMA in relation to the transaction on [insert date of this Order] (the Order).
 - (b) Arthur's subsidiaries have also complied with this Order.
2. Subject to paragraph 3 of the Order, and except with the prior written consent of the CMA:
 - (a) No action has been taken by Arthur that might prejudice a reference of the transaction under section 22 and section 33 of the Act or impede the taking of any action by the CMA which may be justified by its decision on such a reference, including any action which might:
 - (i) lead to the integration of the Arthur business with the Asda business;
 - (ii) transfer the ownership or control of the Asda business or the Arthur business or any of their subsidiaries; or
 - (iii) otherwise impair the ability of the Arthur business or the Asda business to compete independently in any of the markets affected by the transaction.
 - (b) The Arthur business has been carried on separately from the Asda business and the Arthur business's separate sales or brand identity has been maintained.
 - (c) The Arthur business and the Asda business have been maintained as a going concern and sufficient resources have been made available for the development of the Arthur business and the Asda business, on the basis of their respective pre-merger business plans.
 - (d) No significant changes have been made to the organisational structure of, or the management responsibilities within, the Arthur business or the Asda business, except in the ordinary course of business.

- (e) The nature, description, range and quality of goods or services (or both) supplied in the UK by the Arthur business and the Asda business have been maintained and preserved.
- (f) Except in the ordinary course of business for the separate operation of the two businesses:
 - (i) all of the assets of the Arthur business and the Asda business, including facilities and goodwill, have been maintained and preserved as at the start of the Relevant Period;
 - (ii) none of the assets of the Arthur business or the Asda business have been disposed of; and
 - (iii) no interest in the assets of the Arthur business or the Asda business has been created or disposed of.
- (g) There has been no integration of the information technology of the Arthur or Asda businesses, and the software and hardware platforms of the Arthur business have remained essentially unchanged, except for routine changes and maintenance.
- (h) Subject to integration which had occurred prior to the commencement date, the customer and supplier lists of the two businesses have been operated and updated separately and any negotiations with any existing or potential customers and suppliers in relation to the Arthur business have been carried out by the Arthur business alone and, for the avoidance of doubt, the Asda business, Asda Group, Mr Zuber Issa, Mr Mohsin Issa, TDR Capital, TDR Capital III Portfolio No. 2 L.P., TDR Capital III Investments (2019) L.P. have not negotiated on behalf of the Arthur business (and vice versa) or entered into any joint agreements with the Arthur business (and vice versa).
- (i) All contracts of the Arthur business and the Asda business have been serviced by the business to which they were awarded, except to the extent novated, assigned or subcontracted prior to the commencement date.
- (j) No changes have been made to key staff of the Arthur business or the Asda business.
- (k) No key staff have been transferred between the Arthur business and the Asda business.

- (l) All reasonable steps have been taken to encourage all key staff to remain with the Arthur business and the Asda 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 two businesses, has passed, directly or indirectly, from the Arthur business (or any of its employees, directors, agents or affiliates) to Mr Zuber Issa, Mr Mohsin Issa, TDR Capital, TDR Capital III Portfolio No. 2 L.P., TDR Capital III Investments (2019) L.P., Asda Group, the Asda business (or any of their 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 Arthur business or the Asda business;
 - (ii) interruptions of the Arthur business or the Asda 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 24 hours;
 - (iii) substantial customer volumes won or lost or substantial changes to the customer contracts for the Arthur business or the Asda business; or
 - (iv) substantial changes in the Arthur or Asda business's contractual arrangements or relationships with key suppliers.

(o) *[list of material developments]*

3. Arthur and its subsidiaries remain in full compliance with the Order and will continue actively to keep the CMA informed of any material developments relating to the Arthur or the Asda business in accordance with paragraph 9 of the Order and of any potential breach by the Arthur business or Mr Zuber Issa, Mr Mohsin Issa, TDR Capital, TDR Capital III Portfolio No.2 L.P., TDR Capital III Investments (2019) L.P., Asda Group, Co-op, or any of their subsidiaries (or in the case of TDR Capital any entities that it manages) as well as the Asda business, in accordance with paragraph 10 of the Order.

Interpretation

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

I understand that:

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.)

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 ARTHUR

Signature

Name

Title

Date