

**DEROGATION LETTER  
IN RESPECT OF INITIAL ENFORCEMENT ORDERS ISSUED  
PURSUANT TO SECTION 72(2) ENTERPRISE ACT 2002  
COMPLETED ACQUISITION**

Dear [✂]

**Consent under section 72(3C) of the Enterprise Act 2002 to certain actions for the purposes of the Initial Enforcement Order made by the Competition and Markets Authority (CMA) on 3 October 2024.**

**Completed acquisition by Topps Tiles Plc of certain assets of Tildist Realisations Limited (formerly CTD Tiles Limited) (the ‘Merger’)**

We refer to your email and accompanying derogation request memorandum dated 10 April 2025 requesting that the CMA consents to a derogation from the Initial Enforcement Order of 3 October 2024 (the **Order**). The terms defined in the Order have the same meaning in this letter.

Under the Order, save for written consent by the CMA, Topps and Tiles4Less are required to hold the Target separate from the Topps business and refrain from taking any action which might prejudice a reference under section 22 of the Act or impede the taking of any remedial action following such a reference.

After due consideration of your request for a derogation from the Order, based on the information received from you and in the particular circumstances of this case, Topps and Tiles4Less may carry out the following actions, in respect of the specific paragraphs:

**1. Paragraphs 5(d) and 5(e) of the Order**

Following receipt of CMA consent on 25 February 2025, the Target entered into a licence to occupy (**LTO**) extension with Stark Building Materials UK Limited (**Stark**) in respect of its store at Leads Road, Hull HU7 0XU (the **Hull Store**). The LTO extension enables the Target to remain in occupation of the Hull Store until 18 May 2025. Stark subsequently informed the Target that it wishes to take back the Hull Store on the expiry of the extended LTO on 18 May 2025. Despite having

conducted an extensive search in the locality, the Target has been unable to identify a suitable alternative premises. Therefore, the Target now needs to take the steps necessary in order to ensure an orderly closure of the Hull Store by latest 18 May 2025, enabling the Target to re-use stock and assets and make the store staff redundant.

As a result, the Target requests that the CMA grants a derogation from paragraphs 5(d) and 5(e) of the Order to close the Hull Store and make the store staff redundant.

The CMA consents to the derogation strictly on the basis that the derogation shall not prevent any remedial action which the CMA may need to take regarding the Transaction.

Yours sincerely

Philippa Allan  
Assistant Director, Mergers  
14 April 2025