

7<sup>th</sup> December 2017

**COMP-MCCAA/26/2017- Acquisition by Camilleri Holdings Limited**

**Decision on acquisition in terms of Regulations 6 (1) (ii) and 12(4) of the Control of Concentrations Regulations (LN 294 of 2002 as subsequently amended)**

**The Office for Competition,**

**Having considered the notification dated 14 November 2017 pursuant to Regulation 5 of the Control of Concentrations Regulations,**

**Having considered the provisions of the Control of Concentrations Regulations**

**Facts**

1. On the 2 November, the Office for Competition received a notification of a proposed acquisition pursuant to Regulation 5 of the Control of Concentrations Regulations (hereinafter referred to as “the Regulations”), whereby pursuant to a shareholder agreement (hereinafter referred to as “the Agreement”), Camilleri Holdings Limited (hereinafter referred to as “the Notifying Party”) will acquire sole control of CYKA Limited (hereinafter referred to as the “Acquired Party”).
2. The notification was filed on 2 November 2017 and was accepted as a complete notification on 14 November 2017 and was notified to the public through a notice that appeared in a daily newspaper on 21 November 2017 and a notice that appeared in the Government Gazette No.19, 904 on 21 November 2017.

**Parties**

3. The Notifying Party, Camilleri Holdings Limited (Valletta, Malta) is the holding company of the Camilleri Group of Companies, which is a family run business. Camilleri Holdings Limited through its subsidiaries is active in various business sectors, namely in confectionery, retail and catering. It holds the licence to import, retail and distribute the following clothing brands: BHS, Matalan, M&CO and Mothercare.
4. The Acquired Party, CYKA Limited (Valletta, Malta) is a registered company that holds the licence to import, retail and distribute the following brands: George, Promod, Miss Selfridge, Morgan and Jules
5. Both parties are actively involved in the Maltese apparel retail sector.

### **Transaction**

6. Pursuant to the Agreement, the Notifying Party proposes to acquire the entire issued share capital of the Acquired Party.
7. The Notifying Party will in all cases hold and have the sole control of the Acquired Party post-transaction. On closing, it is expected that the business of CYKA Limited shall be amalgamated and it will be directly held by Camilleri Holdings Limited.

### **Notifiable Concentration**

8. In terms of Regulation 2 of the Control of Concentrations Regulations, a concentration refers to the acquisition by one or more undertakings, or by one or more persons already controlling at least one undertaking, whether by purchase of securities or assets, by contract or by any other means, of direct or indirect control of the whole or parts of one or more undertakings.
9. The proposed transaction brings about the acquisition of sole control by the Notifying Party on the Acquired Party in the form of purchase of sale shares.
10. Therefore the proposed transaction constitutes a concentration within the meaning of Regulation 2 of the Regulations.

### **Threshold for Notification**

11. The aggregate turnover of the undertakings concerned in the preceding financial year exceeds €2,329,373.40 and each of the parties concerned had a turnover in Malta equivalent to at least 10% of the combined aggregate turnover of the undertakings concerned.
12. The notified concentration, therefore, meets the notification threshold as set out in Regulation 2 of the Regulations.

### **Simplified Procedure**

13. Following the examination of the notification, it is considered that the notified concentration falls within the scope of Regulation 12(1) of the Regulations, whereby it is provided that:

*"The simplified procedure will apply to the following categories of concentrations that are deemed not to raise serious doubts as to their legality in terms of the provisions of these regulations..."*

*iii) "two or more undertakings merge, or one or more undertakings acquire sole or joint control of another undertaking and two or more of the parties to the concentration are engaged in business activities either in the same product and geographical market and their combined market share is less than 15% or in a product market which is upstream or downstream of a product market in which any other party to the concentration is engaged and their combined market share is less than 25%."*

## **Conclusion**

In view of the above and in terms of Regulations 6 (1) (ii) and 12 (4) of the Regulations, it is therefore decided:

- (1) that the Concentration falls within the scope of the Regulations on Control of Concentrations;
- (2) that the Concentration does not raise serious doubts as to its lawfulness;
- (3) not to oppose the notified Concentration and to declare it a lawful Concentration.



**Godwin Mangion**  
Director General