



MALTA COMPETITION AND
CONSUMER AFFAIRS AUTHORITY

MIZZI HOUSE, NATIONAL ROAD,
BLATA L-BAJDA HMR9010,
MALTA

+356 2395 2000

Anticipated Concentration between Lidl Immobiliare and Lidl Malta Limited (collectively referred as “Lidl”) and Said Investments Limited and Scotts Limited (collectively referred as “Scotts”)

Invitation to Comment

Legal Obligations

In terms of regulation 5(4) of the Control of Concentrations Regulations, the Director General of the Office for Competition notifies for general information that a notification of a concentration between Lidl Immobiliare Malta Limited, Scotts Limited and Said Investments Limited was deemed complete on Tuesday, 12 January 2021.

Parties Involved

Lidl (as Lidl Immobiliare Malta Limited and the acquirer in this transaction) is part of the group structure that also holds Lidl Malta Limited. Lidl Malta Limited is a limited liability company registered in Malta, bearing company registration number C36317, which acts as an importer and retailer of finished and packaged products relating to foodstuffs, beverages and allied products, and household items. It has its registered address at The Administration Office, Triq il-Karmnu, Luqa, LQA1311 Malta, and it is the company which operates the ‘Lidl’ supermarkets across Malta and Gozo. Lidl Immobiliare Malta, bearing company registration number C36321, is a property company which objectives include that of purchasing and acquiring immovable property in Malta and the carrying on of the business as an operator and administrator in connection with the properties that it purchases and acquires.

Scotts Limited, a limited liability company registered in Malta with company registration number C33305, acts as an importer and retailer of finished products relating to foodstuffs, beverages and allied products, and household items. It has its registered address at The Said Buildings, Fleur de Lys Road, Birkirkara, Malta, and it is the company which operates ‘Scotts’ supermarkets.

Said Investments Limited, a limited liability company registered in Malta with company registration number C13285, is a property company. Its objectives include that of purchasing and acquiring immovable property in Malta and the carrying on of the business as an operator and administrator in connection with the properties that it purchases and acquires. It has its registered address at The Said Buildings, Fleur de Lys Road, Birkirkara, Malta.

Nature of the Proposed Transaction

The proposed concentration is the acquisition by Lidl Immobiliare Malta Limited of some of the buildings belonging to Said Investments Limited and leases belonging to Scotts Limited.

On 9 October 2020, Lidl entered into an agreement with Said Investments Limited to acquire:

- i. Two divided portions of land in Triq il-Linja in Attard:
 - a. one divided portion of land has a superficial area of approximately one thousand one hundred and fourteen square metres (1,114sq.m.), having its frontage on Triq il-Linja, bounded on the north by Triq il-Linja, on the south by Triq il-Mithna and on the west and east by other portions of the same land property of the Sammut family, forming part of the lands known as Ta' Lancik and Ta' Pawla and Tax-Xewk.
 - b. another divided portion of land in Triq il-Linja, Attard, forming part of the lands known as Ta' Lancik and Ta' Pawla and Tax-Xewk., which portion of land has a superficial area of approximately nine hundred and thirty square metres (930sq.m.), having its frontage on Triq il-Linja, bounded on the north by Triq il-Linja and on the south, almost in its entirety, by Triq il-Mithna but also in part by property of unknown third parties.
- ii. Burmarrad Land and Property comprising of:
 - a. portion of land having an area of approximately four hundred square meters (400sq.m.) situated near Scotts Supermarket in Burmarrad and leased by Scotts as a parking area for cars.
 - b. the building used as a supermarket, without number, named Scotts, in Triq Burmarrad in Burmarrad, with superficial area (including the lower floor) of approximately two thousand three hundred fifty-eight square metres (2,358sq.m.), bounded on the east by Triq Burmarrad, on the west by Triq l-Insolja and on the south by the property of Vincent Camilleri which building also includes the extension of the complex of stores formerly named "Price Club" by a portion of land measuring approximately one hundred and eighty one point zero six square metres (181.06sq.m.) known as "ta Xbekka".
- iii. Sliema Property consisting of the premises at Amery Street, Sliema, with a superficial area of approximately two thousand one hundred eighteen square metres (2,118 sq.m.) consisting of (a) the supermarket in Amery Street which includes the premises at ground floor level previously used as a supermarket and storage area at basement level and three enclosed areas (including parking area) at basement level, and (b) the shop (retail outlet) underlying third party property

and overlying the supermarket in High Street, leased by Scotts on the 1 January 2009 and renewed on the 17 November 2016 with expiry term in December 2034.

- iv. Zabbar Properties comprising of a complex without official number in Triq il-Mina ta' Hompesch in Haz-Zabbar, with a superficial area of approximately six thousand twenty square metres (6,020sq.m.) consisting of:
- a. the building used as a supermarket, without official number known as "Scotts" formerly known as "Sisa" and formerly known as "Pirella Supermarket" and prior to that as "Corrigo Hall Wedding Complex", in Triq il-Mina ta' Hompesch in Haz-Zabbar, which building in part underlies third party property; of the outside areas include the out-buildings without number which are accessible by a driveway which forms an integral part of this complex and which also provides access to the Zabbar Parking Area, which driveway measures approximately five hundred and five square metres (505sq.m.) and is bounded on the east in part by the remainder of this complex and in part by the Zabbar Parking Area, on the south by Triq il-Mina ta' Hompesch and on the north by the property of Raphael Fenech Adami or of his successors in title; which entire complex is bounded on the south by Triq il-Mina ta' Hompesch, on the north east by the Zabbar Parking Area and on the north by property of Raphael Fenech Adami or of his successors in title as defined by the existing boundary walls and which complex includes all and any improvements made thereon and all its rights and appurtenances including the overlying airspace and the underlying terrain.
 - b. the divided portion of land of a rectangular shape known as "Tal-Madrin" in the limits of Haz-Zabbar, surrounded on all sides with a boundary wall which segregates it from adjacent properties, which land is used as a parking area of the Zabbar Supermarket and has a superficial area of not less than three thousand four hundred square metres (3400sq.m.), bounded on the north west by property of Aldo and Carmen spouses Farrugia, on the south west in part by property of Raphael Fenech Adami or his successors in title and in part by the Zabbar Supermarket to which it is interconnected and in part by property of the Government of Malta and on the west by property of Matthew Azzopardi or other variable boundaries.

The intention of the parties to the concentration is for Lidl Immobiliare Malta Limited to acquire the Properties and the Leased Properties from Scotts to then lease them out to Lidl Malta to operate 'Lidl' supermarkets from them. All the mentioned properties will be acquired by Lidl Immobiliare Malta Limited with vacant possession. It is not the intention of the parties to the concentration for Lidl to acquire the business that is carried out by Scotts and, therefore, Scotts intend to continue operating their current supermarket business under the same brand name.



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The Role of the Office for Competition

According to Article 14 of the Malta Competition and Consumer Affairs Authority Act (Chapter 510 of the Laws of Malta), the Office for Competition is responsible for examining and controlling concentrations between undertakings in terms of their effect on the structure of competition on the market. Concentrations that might lead to a substantial lessening of competition in the Maltese market or a part thereof are prohibited.

As a result, the Office for Competition will be assessing whether the proposed concentration, if carried into effect, will result in a substantial lessening of competition within any market or markets in Malta for goods or services.

Invitation to Submit Your Comments on the Proposed Concentration

The Office for Competition is keen to ensure that all interested parties have the opportunity to make their views known and present all relevant evidence to the Office. The Office for Competition is therefore issuing this 'invitation to comment' asking all interested parties to submit to the Office for Competition their views on the impact that the proposed concentration could have on competition in Malta. Any comments should be submitted to godwin.mangion@mccaa.org.mt cc gilmour.a.camilleri@mccaa.org.mt by not later than **Friday, 22 January 2021**, making reference to this proposed concentration by quoting case reference file '**COMP/MCCAA/13/2020**' in the subject.

This invitation to comment is the first part of the Office's information-gathering process. The Office for Competition is likely to proactively contact companies and stakeholders that are active in the markets affected by the proposed concentration, or have valuable insights or evidence that could assist the investigation including, suppliers, competitors, consumer organisations, consumers and industry bodies.

When submitting your comments, you are kindly requested to clearly identify any material which you consider to be confidential, giving reasons thereof, and provide a separate non-confidential version of the replies in accordance with Article 29 of the Malta Competition and Consumer Affairs Authority Act (Chapter 510 of the Laws of Malta).

Your name and contact details are your personal data. In collecting, receiving, storing, accessing and using your personal data, the Malta Competition and Consumer Affairs Authority (MCCAA), as controller, is processing your personal data. The MCCAA processes personal data in accordance with data protection law.