

OFFICE FOR COMPETITION

29 December 2021

COMP-MCCAA/18/2021 – Acquisition of FourStop GmbH by Jumio Acquisition LLC

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 3 December 2021 pursuant to Regulation 5 of the Control of Concentrations Regulations,

Having considered the provisions of the Control of Concentrations Regulations,

Having considered Commission Notice on a simplified procedure for treatment of certain concentrations under Council Regulation (EC) No 139/2004

Whereas,

A. Facts

1. On 3 December 2021, the Office for Competition (hereinafter referred to as 'the Office') received a notification of a proposed acquisition pursuant to Regulation 5 of the Control of Concentrations Regulations (hereinafter referred to as 'the Regulations'), whereby Jumio Acquisition LLC (hereinafter referred to as 'the Notifying Party' or 'Jumio') will acquire sole control of FourStop GmbH (hereinafter referred to as 'the Acquired Party' or 'FourStop').
2. The proposed acquisition was notified to the public through a notice that appeared in a daily newspaper, on the Malta Competition and Consumer Affairs Authority's website and a notice that appeared in the Government Gazette No. 20,752 on Friday 17 December 2021. The Office did not receive any third-party objections.

B. Parties

3. The Notifying Party, Jumio Acquisition LLC, having company registration number 6373330, with its office at 395 Page Mill Road, Suite 150, Palo Alto, CA

94306, USA, is a company incorporated under the Laws of Delaware. Jumio, on a global level, provides IT services to companies in the field of compliance, anti-fraud and risk management and transaction monitoring and operates a risk assessment platform offering a range of identity proofing and regulatory compliance services, such as Know Your Customer (KYC) and Anti-Money Laundering (AML) services. Jumio's solutions are used by leading companies in the financial services, sharing economy, digital currency, retail, travel and online gaming sectors.

4. The Acquired Party, FourStop GmbH, having company registration number HRB 78674, with its office at Thürmchenswall 69, 50668 Köln, Germany, is a limited liability company registered at the Local Court of Cologne. FourStop is also a global KYC, compliance and anti-fraud risk management company. FourStop's customers are mainly finance and IT service providers.

C. Transaction

5. The proposed transaction is an acquisition of sole control of FourStop by Jumio through a Share Purchase Agreement.
6. The Notifying Party will acquire a 100% shareholding in the Acquired Party.
7. The completion of the Proposed Transaction is conditional upon, *inter alia*, clearance from the Office.

D. Notifiable Concentration

8. In terms of regulation 2 of the Control of Concentrations Regulations, a concentration, *inter alia*, 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 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 by the Notifying Party of the Acquired Party.
10. Therefore, the proposed transaction constitutes a concentration within the meaning of regulation 2 of the Control of Concentrations Regulations.

E. 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 had a turnover in

Malta equivalent to at least 10% of the combined aggregate turnover in Malta of the undertakings concerned.

12. The notified concentration, therefore, meets the notification threshold as set out in Regulation 2 of the Regulations.

F. 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 Control of Concentrations 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%.”

G. Conclusion

14. In view of the above and in terms of Regulations 6 (1) (ii) and 12 (4) of the Control of Concentrations 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