

## OFFICE FOR COMPETITION

02 March 2023

### **COMP-MCCAA/04/2023- Acquisition of Princess Yachts (Holdings) Limited by KPS Capital Partners, LP.**

**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 filed on 15 February 2023 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 Regulation (EC) No 139/2004**

### **Facts**

1. On 15 February 2023, 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 KPS Capital Partners, LP (hereinafter referred to as 'the Notifying Party') will indirectly acquire Princess Yachts (Holdings) Limited (hereinafter referred to as 'the Acquired Party').
2. A notice of the proposed acquisition was issued to the public on 21 February 2023 in a daily newspaper, on the Malta Competition and Consumer Affairs Authority's website<sup>1</sup> and in the Government Gazette No.21,009<sup>2</sup>. No third-party objections were received.

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<sup>1</sup> <https://www.mccaa.org.mt/section/content?contentId=8544>

<sup>2</sup> <https://www.gov.mt/en/Government/DOI/Government%20Gazette/Documents/2023/02/Government%20Gazette%20-%2021st%20February.pdf>

## Parties

3. The Notifying Party, KPS Capital Partners, LP, at registered address One Vanderbilt Avenue, 52nd Floor New York, NY 10017, through its affiliated management entities, is the manager of a family of investment funds. It makes controlling equity investments in manufacturing and industrial companies across a diverse array of industries, including basic materials, branded consumer, healthcare, luxury products, automotive parts, capital equipment and general manufacturing. In Malta, the Notifying Party holds companies that generate income in variety of sectors including human-machine interface solutions and metal packaging, amongst others. The main source of turnover generated in Malta by the Notifying Party, stems for Metra, which is a global, vertically integrated manufacturer of extruded aluminium profiles and related value-added services, including painting, oxidation, machining, welding and assembly.
4. The Acquired Party, Princess Yachts (Holdings) Limited at registered address Newport Street, Plymouth, Devon, PL1 3QG, England, is a holding company owning 100% shares in its subsidiary, Princess Yachts Limited. Princess Yachts Limited is a UK based luxury motor yacht manufacturer. In Malta, the Acquired Party generates turnover through the supply of luxury yachts and is present in the local market through one customer; [REDACTED]<sup>3</sup>

## Transaction

5. The proposed transaction is structured as a share deal, with the proposed investment expected to be [REDACTED] million. The investment is going to be financed through KPS equity.
6. At completion, the Notifying Party will hold at least [REDACTED] of the shares in and sole control of the Acquired Party.
7. The completion of the proposed transaction is conditional upon, *inter alia*, clearance from the Office.

## 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 of sole control by the Notifying Party of the Acquired Party.

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<sup>3</sup> [REDACTED]

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 of sole control 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.

### **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.

### **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, provided that none of the parties to the concentration are engaged in business activities in the same product or geographical market, or in a product market which is upstream or downstream of a product market in which any other party to the concentration is engaged”.*

### **Conclusion**

14. 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