

OFFICE FOR COMPETITION

16 June 2023

COMP-MCCAA/8/2023 – Acquisition of Push Gaming Holding Limited by LeoVentures 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 22 May 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 Council Regulation (EC) No 139/2004

Whereas,

A. Facts

1. On 22 May 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 LeoVentures Limited (hereinafter referred to as 'the Notifying Party' or 'LeoVentures') will acquire a majority stake in Push Gaming Holding Limited (hereinafter referred to as 'the Acquired Party' or 'Push Gaming').
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. 21,060 on Friday, 26 May 2023. The Office did not receive any third-party objections.

B. Parties

3. The Notifying Party, LeoVentures Limited, having company registration number C 72884, with its office at Level 7, The Plaza Business Centre, Bisazza Street, Sliema, SLM1640, is a private limited liability company incorporated under the laws of Malta. LeoVentures forms part of the LeoVegas Group (hereinafter referred to as 'LeoVegas'), which forms part of MGM Resorts International. LeoVegas operates mainly within the business to consumer (hereinafter referred to as 'B2C') element of the online gaming market, focusing on casino games and sports betting. LeoVegas focuses on the mobile gaming segment and operates thousands of games belonging to third parties in the online gaming market via the internet, through wireless devices such as smart phones, tablets, as well as desktop computers. The group operates several global brands such as Royal Panda, GoGoCasino, Pink Casino, Expekt, BetUK, Slotboss and 21.co.uk. The main proportion of LeoVegas's B2C revenue is generated from casino games, while the rest is from sports betting. Moreover, LeoVegas's revenue generated from the business to business (hereinafter referred to as 'B2B') is insignificant.
4. The Acquired Party, Push Gaming Holding Limited, having company registration number C 90189, with its office at 66, Sonor, Level 1, Cathedral Street, Sliema, SLM 1524, is a private limited liability company registered under the laws of Malta. Push Gaming Holding Limited is the holding and parent company of Push Gaming Group. The group is a B2B company that develops its own online casino games, specifically slot games, which it supplies to B2C gaming companies, therefore it does not have a direct relationship with end-users. It supplies its own exclusive products and does not supply third-party content. B2C operators supplied by Push Gaming include Pokerstars, Entain, NetBet, Rootz, Super Bet, Casumo, Betsson, Kindred, SkyBet, ComeOn and MrQ. As a B2B provider of gaming content, Push Gaming Group also provides games to various entities of LeoVegas. The Group's revenue in Malta is generated from the subsidiary Push Gaming Malta Limited through agreements with B2C operators.

C. Transaction

5. The proposed transaction is an acquisition of sole control of Push Gaming by LeoVentures, through a Share Purchase Agreement.
6. The Notifying Party will acquire a majority stake 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 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 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:

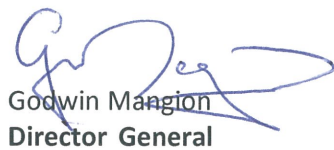
“The simplified procedure will apply to the following categories of concentrations that are deemed not to raise serious doubts as to their legality in terms of the provisions of these regulations...:

(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