



Decision CPC: 03/2022

Case Number: 08.05.001.021.076

THE CONTROL OF CONCENTRATIONS BETWEEN ENTERPRISES LAW

No. 83(I)/2014

**Notification of concentration concerning the acquisition of the share capital of Playtech plc
by Aristocrat Leisure Limited, via Aristocrat (UK) Holdings Limited**

Commission for the Protection of Competition:

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| Mr. Andreas Karidis, | Acting Chairman |
| Mr. Panayiotis Oustas, | Member |
| Mr. Polinikis Panayiotis Charalambides | Member |

Date of decision: 21 January 2022

SUMMARY OF DECISION

On the 23th of December 2021 the Commission for the Protection of Competition (hereinafter the “Commission”) received on behalf of Aristocrat Leisure Limited (hereinafter the «Aristocrat») a notification of a proposed concentration. The notification was filed according to Section 10 of the Control of Concentrations between Enterprises Law 83(I)/14 (hereinafter the “Law”).

The notification concerns a concentration, according to which Aristocrat intends to acquire share capital of Playtech plc (hereinafter the "Target" or "Playtech ") via Aristocrat (UK) Holdings Limited (hereinafter the «Bidco»).

Companies participating at this merger are the following:

1. Aristocrat is a company incorporated under the laws of Australia and is a global gaming content and technology company and publisher of mobile games. It offers wide range of products and services, including electronic gaming machines, casino management systems and free mobile games.

Bidco is a privately held limited liability company, exclusively owned subsidiary of Aristocrat, established under the laws of England and Wales for the purpose of carrying out the proposed operation.

2. Playtech is a company based in Man Island and operates as a technology provider that develops platforms and content for the global gaming industry. The main activity of Playtech is provision of software for online gambling software (supply of online gambling software), offering value-added solutions to the leading players in the industry. Shares of Playtech are listed at the Premium List and on London Stock Exchange's main market for listed securities.

The notified concentration takes place on the basis of the Co-operation Agreement, dated October 17, 2021, between Playtech and Aristocrat and Bidco, where Aristocrat and Bidco will acquire all the issued and to be issued share capital of Target.

The Commission, taking into account the facts of the concentration, has concluded that this transaction constitutes a concentration within the meaning of section 6 (1)(a)(ii) of the Law, since it leads to a permanent change of control of target by Aristocrat via Bidco.

Furthermore, based on the information contained in the notification, the Commission found that the criteria set by section 3 (2) (a) of the Law were satisfied and therefore the notified concentration was of major importance falling within the scope of the Law.

The relevant products/services markets in this case were defined as (a) the B2B market for the manufacture / supply of gaming machines, (b) the B2B market for the supply of online betting software, (c) the B2B market for the supply of casino management systems and (d) the non-RMG mobile game development / publishing market. Any further separation does not differentiate the outcome of the merger assessment. In addition, the Commission concluded that the geographical market for all the relevant markets is that of the territory of the Republic of Cyprus.

According to the participants, the activities of Aristocrat and Playtech in Cyprus do not overlap as (i) in the B2B (business-to-business) gaming / betting business, Aristocrat engages in land-based gaming, content, signage, and accessories business / play, while Playtech focuses on RMG online, (ii) in mobile B2C gaming activities, Aristocrat is not active in the RMG sector and is only active in the field of free online mobile B2C games.

Based on the above, Aristocrat's activities do not overlap with Target's activities in Cyprus. Therefore, there is no horizontal overlap between Aristocrat and Target activities in Cyprus.

Also, according to the notification data, there are no vertical relations between Aristocrat and Target in Cyprus.

Taking into account the above, the Commission concludes that in this concentration no affected market is created based on Annex I of the Law. In addition, there are no other markets in which the notified concentration may have a significant effect.

The Commission, on the basis of the factual and legal circumstances, unanimously decided that this concentration does not create or strengthen a dominant position as there is no affected market and therefore the concentration does not raise serious doubts as to its compatibility with the operation of the competition in the market.

Therefore, the Commission, acting in accordance with section 22 of the Law, unanimously decided not to oppose the notified concentration and declare it as being compatible with the operation of the competition in the market.

Andreas Karidis

Acting Chairman of the Commission for the Protection of Competition