

**THE CONTROL OF CONCENTRATIONS BETWEEN ENTERPRISES LAW
No. 83(I)/2014**

**Notification of concentration concerning the acquisition of share capital of Kito
Corporation from KKR & Co. Inc., via The Crosby Group**

Commission for the Protection of Competition:

Mrs. Loukia Christodoulou	Chairperson
Mr. Panayiotis Oustas,	Member
Mr. Aristos Aristidou Palouzas,	Member

Date of decision: 1st August 2022

SUMMARY OF DECISION

On the 15th of June 2022 the Commission for the Protection of Competition (hereinafter the “Commission”) received on behalf of The Crosby Group 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 KKR & Co. Inc (hereinafter the “KKR & Co”), via The Crosby Group (hereinafter the “Crosby”) intends to acquire the share capital of Kito Corporation (hereinafter the “Kito” or “Target”).

Companies participating at this merger are the following:

1. KKR & Co. is a global investment firm offering alternative asset management and capital markets and insurance solutions. KKR & Co. finances investment

funds that invest in private equity, credits and real estate and has strategic partners that manage hedge funds.

2. Crosby operates in the field of design, manufacture and marketing of solutions and components used in lifting and rigging applications. This acquisition will be made by Lifting Holdings Bidco Inc. (hereinafter "Lifting Bidco"), which is a company duly registered under the laws of Japan, a subsidiary of Crosby and is a special purpose vehicle with no prior business activities established solely for the purposes of the transaction. Parent company of Crosby is the Lifting Holdings Limited ("LHL"), which is controlled by funds, investment vehicles and/or separately managed accounts (SMA) advised and/or managed by one or more subsidiaries of KKR & Co.
3. Kito Corporation is a company listed on Tokyo Stock Exchange that manufactures, sells, repairs and maintains material handling equipment and operates in Japan through sales network and worldwide through subsidiaries and affiliates. Kito supplies products that enhance the safety and productivity of customers on a wide range of construction sites where heavy objects are handled.

The concentration under consideration is carried out on the basis of a Business Merge Agreement (hereinafter the "Agreement"), dated May 16, 2022, between Lifting Holdings Limited, KITO Corporation, Crosby US Acquisition Corp. ('Crosby US') and Crosby UK Acquisition Limited ('Crosby UK').

According to the details of the notification, after the completion of this transaction, KKR & Co. will acquire the share capital of Kito, through Crosby.

The Commission, considering the facts of the concentration, has concluded that this transaction constitutes a concentration within the meaning of section 6(1)(α)(ii) of the Law, since it leads to a permanent change of control of the Target by KKR & Co., via Crosby.

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 Commission has concluded that for the purposes of evaluating this concentration, the relevant product market is the (a) auxiliary lifting components market, (b) cranes trade market and (c) the trade of lifting machines market.

In addition, the Commission concluded that the geographical market for the relevant markets in question is that of the territory of the Republic of Cyprus.

The concentration does not raise any horizontal overlaps and/or vertical relationships between the activities of Crosby and KKR & Co. (including those of KKR & Co.'s-controlled portfolio companies) and the Target in Cyprus.

According to the data of the notification, there is a neighboring relationship between the participating companies in Cyprus in the markets of (a) trading of auxiliary lifting components (b) trading of cranes and (c) trading of lifting machines since the hoists, cranes and auxiliary lifting components can be used together for lifting by the same end customers. However, the participating companies' market shares, according to them, in the said markets in the Republic of Cyprus are below 25% and therefore it will not have a significant impact on other markets.

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.

Loukia Christodoulou

Chairperson of the Commission for the Protection
of Competition