

THE CONTROL OF CONCENTRATIONS

BETWEEN ENTERPRISES LAWS 1999 TO 2000

Notification of concentration regarding the acquisition of the production and sales department of products branded “Mon Ami” which belongs to Eureka Ltd by Alkis H. Hadjikyriakos (Frou Frou Biscuits) Public Ltd

Commission for the Protection of Competition:

Mrs. Loukia Christodoulou	Chairperson
Mrs. Eleni Karaoli	Member
Mr. Andreas Karides	Member
Mr. Charis Pastellis	Member
Mr. Christos Tsingis	Member

Date of decision: 22 August 2013

SUMMARY OF THE DECISION

On the 26th of July 2013, the Commission for the Protection of Competition (hereinafter the «Commission») received a notification of a proposed concentration on behalf of Eureka Ltd (hereinafter the «Eureka») and Alkis H. Hadjikyriakos (Frou Frou Biscuits) Public Ltd (hereinafter the «Frou Frou Biscuits»). The concentration was filed in accordance with section 13 of the Control of Concentrations between Enterprises Law (Number 22(I)/99) (hereinafter the «Law») and concerned the purchase of the industrial unit and reputation and / or customers of the company Eureka Ltd associated with the production of products of the brand "Mon Ami".

Frou Frou Biscuits is a company registered in Cyprus, and is the 100% parent company of Spinney's Cyprus Ltd, Handy Snacks Ltd, Frou Frou Investments Ltd, Haris M.Hadjikyriakos (Estates) Ltd, Frou Frou Cereals (Golden Choice) Ltd, Athalassa Farm Ltd and Frou Frou Cereals Ltd. The company's main activities are (a) the production and distribution of biscuits, (b) the production and distribution of breakfast cereals, (c) the production of chips and other snack items (d) the

importation and distribution of food and other household products, (e) investments in the stock market and share trading and (d) development investments and marketing, selling and renting land and property.

"Mon Ami" department which is the target in the proposed notification is owned by Eureka which is a company registered in Cyprus and is a subsidiary of Eureka Greece SA. The main activity of Eureka is the importation and provision of chemicals and other products, the production, importation and sale of powder mixture for the production of pastry / dessert creams "Mon Ami".

This transaction was based on an Agreement dated 19/07/2013, between Eureka and Frou Frou Biscuits. The agreement concerns the acquisition of the production and sale of products of the brand "Mon Ami" by Frou Frou Biscuits from Eureka.

With the completion of the proposed concentration, Frou Frou Biscuits will have complete ownership of the entire department of the production and sale of all products "Mon Ami". Specifically, Frou Frou Biscuits will have full control of the operations of "Mon Ami" and will own the entire production machinery, the recipes and the trade name "Mon Ami" and related goodwill.

The Commission, taking into account the above facts and events concerning this concentration has concluded that this transaction constitutes a concentration within the meaning of section 4 (1) (b) of the Law, since it leads to a permanent change of ownership / control of a business division, namely the control of the production and sale of "Mon Ami" department that will be transferred from Eureka to Frou Frou Biscuits.

Furthermore, based on the information contained in the notification, the Commission found that the criteria set by section 3(2) (α) of the Law were not satisfied and therefore the notified transaction was not of major importance under the Law. According to the notification, the turnover of Frou Frou Biscuits exceeded 3.417.203 euro but the turnover of "Mon Ami" did not.

As from above, and based on the information contained in the notification, the Commission notes that the notification does not meet the conditions in section 3 (2) (a) (i) of the Law, since the turnover of the target does not exceed €3.417.203. Therefore, the proposed concentration is not a concentration of major importance, as defined by the relevant provisions of section 3 of the Law.

Therefore, the Commission, acting in accordance with section 18 of the Law, unanimously decided that the notified concentration does not fall within the scope of the Law.

Loukia Christodoulou

Chairman of the Commission for the Protection of Competition