



Decision CPC: 37/2022

Case Number: 08.05.001.022.024

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

**Notification of a concentration concerning the acquisition of the share capital
of FM Games Holding Cyprus Ltd by Miniclip SA, via Kolochi Holdings Limited**

Commission for the Protection of Competition:

Mrs. Loukia Christodoulou,	Chairperson
Mr. Andreas Karydis	Member
Mr. Panayiotis Ousta	Member
Mr. Aristos Aristeidou Palouzas	Member
Mr. Polynikis-Panagiotis Charalambides	Member

Date of Decision: 10th of June 2022

SUMMARY OF THE DECISION

On 16/05/2022, the Commission for the Protection of Competition (hereinafter the “Commission”) received on behalf of Miniclip SA, 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 concerning the acquisition of the share capital of FM Games Holding Cyprus Ltd (hereinafter “FM Games” or the “Target”) by Miniclip SA, via Kolochi Holdings Limited (hereinafter the “Miniclip”).

The participating parties are the following:

- Miniclip SA, is a company duly registered under the laws of Switzerland. It is a subsidiary of Miniclip Group SA (hereinafter together with its subsidiaries, the “Miniclip Group”) and it ultimately controlled by Tencent Holdings Limited (hereinafter “Tencent’ and together with its subsidiaries the “Tencent Group”).

Miniclip Group is an international digital games and entertainment group that develops, publishes and distributes multiplayer games.

Kolochi Holdings Ltd is a company duly registered under the laws of the Republic of Cyprus. Kolochi Holdings Ltd is a special purpose vehicle with no prior business activities, incorporated for the purpose of this transaction. It is a subsidiary of Miniclip Group SA and ultimately controlled by Tencent Holdings Limited.

- Tencent Holdings Limited is a company duly registered under the laws of the Cayman Islands. Tencent Holdings Limited (together with its subsidiaries, the Tencent Group) is a multinational technology and entertainment company, the largest company in the video game industry and invests in entertainment and technology companies. It has interests in the communications, information and entertainment sectors and is active in a wide range of online activities, including the provision of online and mobile value-added services, online advertising and cloud services and other related business services. Tencent Group is engaged in the operation of online games and mobile platforms, advertising, development and release of game software, and the operation of media platforms. Tencent Group also invests in portfolio companies in various sectors and countries.
- The target of this transaction is FM Games Holding Cyprus Ltd, which is a company duly registered under the laws of the Republic of Cyprus. FM Games Holding Cyprus Ltd (together with its subsidiaries, the FM Games Group) focuses on classic card and board games, bringing them to the fast-growing mobile audience and manages a growing portfolio of more than 15 games across all major mobile platforms.

This concentration is based on the Sale and Purchase Agreement dated 23/05/2022 for the sale and purchase of the shares of the FM Games Holding Cyprus Limited by Miniclip (UK) Limited.

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 the Target Company.

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 product/services and geographic market in this case were defined as the market of publish and distribution of games for mobile phones. The geographic market in this case was defined as the territory of the Republic of Cyprus.

There is a horizontal overlap between the activities of the participating enterprises in the said relevant market in Cyprus, however, the combine market share of the parties is below 15%.

In addition, according to the participating enterprises, there is no vertical relationship between the participating enterprises.

The Commission concluded that there are no other markets in which the notified concentration may have a significant impact, based on the provisions of the Law.

The Commission, on the basis of the factual and legal circumstances, unanimously decided that this concentration does not create or strengthen a dominant position in the 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