

**THE CONTROL OF CONCENTRATIONS
BETWEEN ENTERPRISES LAWS 1999 TO 2000**

Notification of concentration concerning the acquisition of assets of Bright Imperial Ltd by Manwin Holding S.à.r.l, through its subsidiary Manwin RT Holding S.à.r.l.

Commission for the Protection of Competition:

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

Date of decision: 12 September 2013

SUMMARY OF THE DECISION

On the 27th of July 2013, the Commission for the Protection of Competition (hereinafter the «Commission») received on behalf of the company Manwin Holding S.à.r.l a notification of a proposed concentration in accordance with Section 13 of the Control of Concentrations between Enterprises Law (Number 22(I)/99) (hereinafter the «Law»), concerning the acquisition of the assets of Bright Imperial Limited.

Manwin Holding S.à.r.l is a private limited liability company, incorporated under the laws of Luxembourg. It is active in Information Technology (IT), specialized on highly

trafficked websites and specifically through its subsidiaries is mainly active in the production and distribution of adult entertainment products.

Manwin RT Holding S.à.r.l is the new subsidiary company of Manwin Holding S.à.r.l which will be established under the laws of Luxembourg and will acquire the assets of Bright Imperial Ltd.

Bright Imperial Ltd is a private company duly registered under the laws of Hong Kong. The company provides adult entertainment products.

This transaction was based on an Agreement signed on the 24th of July 2013, between Manwin RK S.à.r.l., Feras Antoon, Daivid Tassilo, κ.Fabian Thylmann and Bright. According to the provisions of the Agreement, Manwin will acquire the assets of Bright through its subsidiary company S.à.r.l. Manwin RT Holding. These assets include intellectual property, specifically online names, Redtube.com, website and other assets such as content.

The Commission, taking into account the facts concerning this concentration concluded that this transaction constitutes a concentration within the meaning of section 4(1)(b) of the Law, since it results in the acquisition of control of Bright's assets by Manwin.

Furthermore, based on the information contained in the notification, the Commission found that the criteria set in section 3 (2) (a) of the Law were fulfilled and therefore the notified concentration was of major importance, following within the scope of the Law. According to the notification, the turnover achieved by Manwin for 2012 exceeded 3.417.203 euro and the turnover of Bright for 2012 exceeded 3.417.203 euro. In addition, Bright and Manwin engage in commercial activities within the Republic of Cyprus and their aggregate turnover for 2012 exceeded 3.417.203 euro.

The Commission for purposes of evaluating this concentration considered the relevant product/service market to be the distribution of product/services related to adult entertainment, through the internet. The geographic market for the relevant market was left open.

The acquiring company and the target company are both active in Cyprus in the relevant market and thus have a horizontal relationship. Based on the information provided by the

parties, the concentration does not create any affected markets as determined in Annex I of the Law due to the fact that the combined market share of the involved enterprises in the relevant market within the Cyprus Republic is under 15%.

The Commission, on the basis of the factual and legal circumstances, applying the relevant provisions of the Law and taking into consideration the report of the Service, 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 competitive market.

Therefore, the Commission, acting in accordance with section 18 of the Law, unanimously decided not to oppose the notified concentration and declare it as being compatible with the requirements of the competitive market.

Mrs. Loukia Christodoulou

Chairperson of the Commission for the Protection of Competition