



Decision CPC: 49/2021

Case Number: 08.05.001.021.040

## THE CONTROL OF CONCENTRATIONS BETWEEN ENTERPRISES LAW

No. 83(I)/2014

### Notification of a concentration concerning the acquisition of the share capital of McGraw Hill Education, Inc., by Platinum Equity, LLC, via Mav Acquisition Corporation

Commission for the Protection of Competition:

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

Date of Decision: 21<sup>st</sup> of July 2021

#### SUMMARY OF THE DECISION

On 15/07/2021, the Commission for the Protection of Competition (hereinafter the “Commission”) received on behalf of the investment funds which are controlled by Platinum Equity, LLC (hereinafter “Platinum Equity”) 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, the investment funds which are controlled by Platinum Equity will acquire the share capital of McGraw Hill Education, Inc. (hereinafter “MHE” or the Target), via Mav Acquisition Corporation.

The participants of the transaction are the following:

1. Platinum Equity is a duly registered company in accordance with the laws of the State of Delaware of the United States of America. Platinum Equity consists of certain entities and investment capitals which are directly or indirectly controlled, managed and/or advised by the same.

Platinum Equity specializes in merging, acquiring and carrying out the operations of companies providing services and solutions to customers in a wide range of business sectors including IT, telecommunications, logistics, metal services, manufacturing and distribution.

Platinum Equity is typically involved in operating reconstructing of the companies it acquires, with the aim of improving operational performance and reorienting the business to meet customer demand in changing markets. After the transition and restructuring period, the companies of Platinum Equity are expected to operate as independent businesses with the management of the company being responsible for the daily management of the business.

Mav Acquisition Corporation is a duly registered company in accordance with the laws of the State of Delaware of the United States of America. It is a special purpose vehicle for the completion of the present transaction.

2. McGraw-Hill Education, Inc. is a duly registered company in accordance with the laws of the State of Delaware of the United States of America. It is a provider of result-focused learning solutions, providing curated content and digital learning tools and platforms to students, as well as to a wide variety of academic institutes, professionals and companies.

The concentration is based on a Securities Purchase Agreement dated 14/06/2021 (hereinafter "Agreement") between AP Georgia Holdings, L.P., Apollo Co-Investors (MHE), L.P., and others listed in Annex I to the Agreement (the Sellers), MHE (the Target) and Mav Acquisition Corporation (the Buyer). Based on this Agreement, the investment funds which is controlled by Platinum Equity will acquire the share capital of MHE, via Mav Acquisition Corporation.

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 was defined as the market of a) the sale of educational books (including digital books) b) the sale of academic and professional books (including digital books) in the territory of the Republic of Cyprus.

Based on the notification, Platinum Equity and its portfolio companies operate in different markets than MHE in the Republic of Cyprus. Therefore, there is no horizontal overlap between the activities of the parties involved.

In addition, there is no (potential) vertical relationships between the activities of the participating enterprises in Cyprus in the relevant market.

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