



# DETERMINATION OF MERGER NOTIFICATION M/18/015 – EURAZEO/IDINVEST

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## Section 21 of the Competition Act 2002

### Proposed acquisition by Eurazeo S.E. of Idinvest Partners S.A.

Dated 20 March 2018

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#### Introduction

1. On 8 February 2018, in accordance with section 18(1)(a) of the competition Act 2002, as amended (“the Act”), the Competition and Consumer Protection Commission (“the Commission”) received a notification of a proposed transaction whereby Eurazeo S.E. (“Eurazeo”) would acquire sole control of Idinvest Partners S.A. (“Idinvest”) (the “Proposed Transaction”).

#### The Proposed Transaction

2. The Proposed Transaction is to be implemented pursuant to a Share Sale Agreement (the “SSA”) dated 5 February 2018 between Financière Bagatelle S.A.S., Bavière Finance Conseil S.A.S., Annapurna Capital S.A.S., certain directors/management of Idinvest,<sup>1</sup> IDI S.C.A. and Eurazeo. Pursuant to the SSA, approximately 70% of the issued share capital of Idinvest will be held directly or indirectly by Eurazeo, with Idinvest’s management holding the remaining 30%. Accordingly, Eurazeo will acquire sole control of Idinvest.

#### The Undertakings Involved

##### *The Acquirer - Eurazeo*

3. Eurazeo is a French investment company listed on the NYSE Euronext Paris Stock Exchange. The parties state in the notification that the following five portfolio companies controlled by Eurazeo generated turnover in the State in 2017:

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<sup>1</sup> Including Messrs Christophe Bavière and Benoist Grossmann.



- Fintrax Group Holding Limited - Fintrax Group Holding Limited provides services to international travellers to enable them to claim back VAT on retail purchases;
  - Asmodée Holding S.A.S. - Asmodée Holding S.A.S. develops and publishes board games and playing cards;
  - Novacap S.A.S. - Novacap S.A.S. manufactures and distributes active pharmaceutical and essential chemical ingredients;
  - CPK Group - CPK Group manufactures chocolate products and confectionary. Its portfolio of brands includes *Carambar*, *Poulain*, *Krema*, *La Pie Qui Chante* and *Terry's*; and
  - Iberchem S.A. - Iberchem S.A. manufactures and sells fragrances and flavours.
4. In addition, one of Eurazeo's business divisions, Eurazeo PME, which invests in small and medium-sized enterprises valued at less than €150 million, generated turnover in the State in 2017. The parties state in the notification that neither Eurazeo nor any of its portfolio companies provide asset management services to third parties located in the State.
5. For the financial year ending 31 December 2016, Eurazeo's worldwide turnover was approximately €[...] billion, of which approximately €[...] million was generated in the State.<sup>2</sup>

#### *Idinvest*

6. Idinvest, a French investment company, manages alternative investment funds, primarily in the form of open-ended collective investment schemes, on behalf of third party investors.
7. Idinvest, acting for and on behalf of its clients, invests through alternative investment funds it manages as an alternative investment fund manager, in European businesses by way of equity investment, senior or subordinated debt investment, and portfolios

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<sup>2</sup> The parties state in the notification that figures for the financial year ended 31 December 2017 are not available.



and funds. Idinvest also provides private equity and debt investment solutions for individuals and offers investment advisory services. In the State, Idinvest's clients include Allianz Ireland Limited, BNP Paribas Ireland Unlimited Company and W&W Global Income Fund.

8. The parties state in the notification that one of Idinvest's portfolio companies, Pretty Simple S.A. ("Pretty Simple"), a developer of online and smartphone games distributed through social networks, generated turnover in the State in 2017.
9. For the financial year ending 31 December 2016, Idinvest's worldwide turnover was approximately €[...] million, of which approximately €[...] million was generated in the State.<sup>3</sup>

#### **Rationale for the Proposed Transaction**

10. The notification states:

*"In an increasingly competitive environment, Eurazeo seeks to diversify its asset management offering to business and institutional investors while expanding its existing presence in the venture capital sector. This is a growing sector in which Eurazeo currently has a limited presence."*

#### **Third Party Submissions**

11. No submission was received.

#### **Competitive Analysis**

##### *Horizontal Overlap*

12. In Europe, there is a horizontal overlap between the parties' activities as both Eurazeo and Idinvest are active in the supply of asset management services to third parties. However, Eurazeo does not provide asset management services to third parties located in the State. Therefore, the Commission considers that Proposed Transaction does not

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<sup>3</sup> The parties state in the notification that figures for the financial year ended 31 December 2017 are not available.



raise any competition concerns in respect of the supply of asset management services to third parties in the State.

13. Furthermore, none of the portfolio companies controlled by Eurazeo or Eurazeo's business division, Eurazeo PME, which generated turnover in the State in 2017 are engaged in the same business activities as Pretty Simple, i.e. the only Idinvest portfolio company which generates turnover in the State.
14. In light of the above, the Commission considers that the Proposed Transaction does not raise any horizontal competition concerns in the State.

#### *Vertical Relationship*

15. The parties informed the Commission that there is no vertical relationship between the portfolio companies owned and controlled by Eurazeo and Idinvest in the State. The Commission has not identified any vertical relationship between the parties. Therefore, the Proposed Transaction does not raise any vertical competition concerns in the State.

#### **Conclusion**

16. In light of the above, the Commission considers that the Proposed Transaction will not substantially lessen competition in any market for goods or services in the State.

#### **Ancillary Restraints**

17. No ancillary restraints were notified.



### **Determination**

The Competition and Consumer Protection Commission, in accordance with section 21(2)(a) of the Competition Act 2002, as amended, has determined that, in its opinion, the result of the proposed acquisition whereby Eurazeo S.E. would acquire sole control of Idinvest Partners S.A., will not be to substantially lessen competition in any market for goods or services in the State, and, accordingly, that the acquisition may be put into effect.

For the Competition and Consumer Protection Commission

**Brian McHugh**  
**Member**  
**Competition and Consumer Protection Commission**