



DETERMINATION OF MERGER NOTIFICATION M/22/010 – APOLLO/ FLEX-NOVOLEX

Section 21 of the Competition Act 2002

Proposed acquisition by Apollo Management, L.P. of the entire issued share capital of Flex Acquisition Holdings, Inc./ Novolex.

Dated 09 March 2022

1. On 18 February 2022, 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 acquisition whereby Apollo Management, L.P. (“Apollo Management”), an investment advisor controlled by Apollo Global Management, Inc. (“AGM”) (together “Apollo”), will acquire sole control of Flex Acquisition Holdings Inc. (“Flex”) together with its subsidiaries (the “Novolex”) (the “Proposed Transaction”).
2. The Proposed Transaction is to be implemented pursuant to a stock purchase agreement dated 11 February 2022 between Clydesdale Acquisition Holdings, Inc. (“Clydesdale”) which is under the sole control of Apollo, Flex Partnership Holdings, L.P., Carlyle Partners VI Holdings, L.P. and Flex (the “SPA”). Pursuant to the SPA, Apollo will acquire the entire issued share capital and thus sole control of the Novolex.
3. The business activities of the undertakings involved are:
 - The Acquirer - Apollo:
 - Apollo is an asset manager. Apollo Management manages the private equity activities of AGM, a Delaware corporation with shares listed on the New York Stock Exchange.
 - Clydesdale is a special purpose acquisition vehicle under the sole control of Apollo which was formed for the purpose of the Proposed Transaction.



- Investment funds managed by affiliates of Apollo invest in companies and debt issued by companies in sectors such as education, healthcare, security, insurance, financial services and real estate businesses.
 - The Target - Novolex:
 - Novolex, headquartered in South Carolina in the United States, is a manufacturer of packaging products made with fibre and other renewable and bio-based materials, recycled content, and resin.
 - Novolex's products include delivery and carryout bags, wraps and containers for prepared food, trays and containers for fresh and prepared grocery items, produce bags and laminations for construction and agricultural applications.
 - In 2018, Novolex acquired sole control of Waddington Group. Waddington Group has a manufacturing facility in County Wicklow which produces recycled polyethylene terephthalate and polypropylene sheets for packaging.
4. After examination of the notification, the Commission has concluded that the Proposed Transaction falls within the scope of paragraph 2.1 of the Simplified Merger Notification Procedure Guidelines for assessing certain notifiable mergers or acquisitions under section 18(1)(a) of the Act since neither party to the Proposed Transaction is active or potentially active in the same product and geographic markets, or in any market(s) which is upstream or downstream to a market(s) in which either Party is active or potentially active.
5. In light of this, the Commission considers that the Proposed Transaction will not substantially lessen competition in any market for goods or services in the State.

Ancillary Restraints



6. No ancillary restraints were notified by the Parties in relation to the Proposed Transaction.

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 Apollo Management, L.P. will acquire the entire issued share capital of Flex Acquisition Holdings Inc., together with its subsidiaries, 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

Ibrahim Bah
Director
Competition Enforcement and Mergers Division
Competition and Consumer Protection Commission