



# DETERMINATION OF MERGER NOTIFICATION M/24/010 EXPONENT/CHANELLE HOLDCO 3 LIMITED

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## Section 21 of the Competition Act 2002

**Proposed acquisition by Exponent, through its subsidiary Herriot Pharma Bidco Limited, of sole control of Chanelle HoldCo 3 Limited.**

**Dated 29 February 2024**

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### Introduction

1. On 13 February 2024, in accordance with s18(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 Exponent Private Equity LLP (“Exponent”), through its subsidiary Herriot Pharma Bidco Limited (the Purchaser), would acquire sole control over Chanelle HoldCo 3 Limited (the Target) (the “Proposed Transaction”).

### The Proposed Transaction

2. The Proposed Transaction is to be implemented pursuant to a share purchase agreement dated 6 February 2024 between Michael H. Burke<sup>1</sup>, the Purchaser and Chanelle Pharma Limited<sup>2</sup> (the “Seller”) (the “SPA”). Pursuant to the SPA, the Purchaser will acquire the entire issued share capital, and thus sole control, of the Seller’s direct subsidiary, the Target.
3. The business activities of the undertakings involved are:
  - **The Acquirer – Exponent:**
    - Exponent is a United Kingdom based international private equity group which makes investments in businesses in the State, UK and across Europe. Exponent’s investments involve a range of different industry sectors,

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<sup>1</sup> Founder of Chanelle Pharma Limited

<sup>2</sup> Chanelle HoldCo 3 Limited is a direct subsidiary of Chanelle Pharma Limited



including healthcare, food transportation, advertising, and financial sectors. Exponent currently controls ■■■ portfolio companies, of which ■■■ generated turnover in the State in 2023. Exponent also holds non-controlling interests in two publicly listed companies, HSS Hire Group plc and Moonpig Group plc.

- Of the ■■■ portfolio companies that generated turnover in the State in 2023, none of their business activities overlap with those of the Target.

*Herriot Pharma Bidco Limited*

- Herriot Pharma Bidco Limited is a limited liability company incorporated for the purposes of the Proposed Transaction, under the laws of Ireland. The Purchaser is controlled by funds advised by Exponent.

- **The Target – Chanelle HoldCo 3 Limited:**

- Chanelle Pharma Limited and its subsidiaries (collectively, the “Target Group”) are involved in the development, registration, manufacture, wholesale, distribution, out-license, commercialisation, and supply of both human and veterinary generic pharmaceutical products. The Target Group develops, registers, manufactures and out-licenses generic human and animal health pharmaceutical products across a broad range of therapeutic areas and exports these to over 70 countries globally.
- The Target Group is headquartered in Loughrea, County Galway and employs 680 people in Ireland, the UK, Portugal, Spain and Jordan. The Target Group also has strong research and development and regulatory capabilities, with four research and development laboratories in Ireland and one in Jordan. In addition to this, the Target Group also has a complementary Wholesale and Distribution division and is comprised of a vet unit and a pet unit.

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 (“SMNPG”) for assessing certain notifiable mergers or



acquisitions under section 18(1)(a) of the Act since an undertaking involved, which already has joint control over a company, is to acquire sole control over that company. Additionally, none of the exclusions stipulated in paragraphs 2.8 to 2.15 of the SMNPG apply to the Proposed Transaction.

5. In the 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.



## **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 Exponent Private Equity LLP through its subsidiary Herriot Pharma Bidco Limited, will acquire sole control of Chanelle HoldCo 3 Limited, 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**