



DETERMINATION OF MERGER NOTIFICATION M/24/017 – EXPONENT / ETHOS

Section 21 of the Competition Act 2002

Proposed acquisition by Exponent Private Equity LLP of Ethos Engineering Limited.

Dated: 11 April 2024

1. On 20 March 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 (hereinafter “Exponent”), through Holly Bidco Limited, will acquire the entire issued share capital and thus sole control, of Ethos Engineering Limited (hereinafter “Ethos”) (the “Proposed Transaction”).
2. The Proposed Transaction is to be implemented pursuant to a share purchase agreement dated 15 March 2024 (the “SPA”) between Holly Bidco, Holly Topco Designated Activity Company and the Sellers¹ (“the Parties”). According to the SPA, Holly Bidco will acquire the entire share capital of Ethos Engineering Limited.
3. The business activities of the undertakings involved are:

The Purchaser – Exponent

- **Exponent** is an international private equity group based in the United Kingdom which makes investments in businesses in the State, the UK and across Europe. It manages and controls a variety of portfolio companies which generates revenue in the State. Exponent invests in industries such as food, transportation, advertising and finance.
- In the State, Exponent controls the following companies:
 - Albelli-Photobox Group: Provider of a consumer service for personalised photo products and gifts with operations
 - Big Bus Tours Ireland Limited: Global provider of open-top sightseeing bus tours, operating in 16 cities worldwide.

¹ The Sellers are listed in Schedule 1 of the SPA as Ethos Premier Holdings Unlimited Company, John Coroner, Colm Devin, Paul Tighe, John Clarke, Gary O’Keefe, Derek Hayden, and Tony Flattery



- Evergreen Garden Care (UK Limited): Provider of garden consumables, including consumer products lawn and garden care.
 - Go City Pass Ireland Limited: Provider of packages combining access to various city attractions into a single pass for tourists.
 - Gü: Provider of chilled desserts.
 - H&MV Engineering: Provider of high-voltage electrical engineering, serving blue-chip data centre, renewables and utilities clients across EMEA.
 - Isio Group Limited: Provider of advisory and administration services to the sponsors and trustees of UK pension schemes.
 - SHL International Management Limited: Provider of psychometric and cognitive talent assessment for businesses.
 - Spotlight Sports Group Limited: Group company comprising of various brands within the sports media sector.
 - Vibrant Foods Limited: Group company made up of brands that are manufacturers and distributors of South Asian food products.
 - WARP Snacks Limited: Group comprised of manufacturers of healthy snacks consumers products.
 - Wowcher Limited: Provider of online discount deals to consumers.
 - Xeinadin Group: Provider of accountancy services and business advice for SMEs.
- Exponent also holds non-controlling interests in two publicly listed companies, HSS Hire Group plc and Moonpig Group plc.
 - For the financial year ending 31 March 2023, Exponent's worldwide turnover was approximately €(...) of which approximately €(...) was generated in the State.

The Target – Ethos



- **Ethos** is a private company limited by shares, incorporated in Ireland. Ethos provides mechanical and electrical engineering design services, design management services and sustainability solutions primarily for projects outside Ireland. Its business activities in Ireland comprise office fit outs, commercial/residential developments, and public sector as well as data centre projects.
 - Ethos has operations in 17 locations outside of the State including in Austria, Belgium, Czech Republic, Denmark, France, Germany, Italy, Kenya, Mozambique, Netherlands, Nigeria, Norway, Poland, Spain, Sweden, Switzerland, and United Kingdom.
 - For the financial year ending 31 December 2023, The Target's worldwide turnover was approximately €42.8 million, of which €(...) was generated in the State.
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 the parties are active in the same product and geographic market, but their combined market share is less than 15%. 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. The Parties state that Clause 10.1.1, and 10.1.3 of the SPA contains restrictions that are directly related and necessary to the implementation of the Proposed Transaction.
7. The Commission notes that Clause 10.1.1 of the SPA contains a non-compete restriction on the Seller for 24 months. The Commission considers that the duration and scope of this obligation does not exceed the maximum duration and scope acceptable to the Commission.² Therefore, the Commission considers the restriction contained in Clause 10.1.1. of the SPA to be directly related and necessary to the implementation of the Proposed Transaction, insofar as it relates to the State.

² In this respect, the Commission follows the approach adopted by the European Commission in paragraphs 20 of its Notice on restrictions directly related and necessary to concentrations (2005) OJ C56/03.



8. The Commission notes Clause 10.1.3. of the SPA contains a non-solicitation of employees holding an executive or managerial position in the Company for a period of 24 months after the Completion. The Commission considers that the duration and scope of this obligation does not exceed the maximum duration and scope acceptable to the Commission. Therefore, the Commission considers the restriction contained in Clause 10.1.3. of the SPA to be directly related and necessary to the implementation of the Proposed Transaction, insofar as it relates to the State.



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 Holly Bidco Limited, will acquire the entire issued share capital and thus sole control, of Ethos Engineering 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