



DETERMINATION OF MERGER NOTIFICATION - M/24/065 – OAKTREE CAPITAL/ LED ENTERPRISES (ROBUS)

Section 21 of the Competition Act 2002

Proposed acquisition by Oaktree Capital Holdings, LLC of LED Enterprises Limited.

Dated: 13 November 2024

1. On 1 November 2024, 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 Oaktree Capital Holdings, LLC (“Oaktree Capital”), through a special purpose vehicle, Squared Bidco Limited, would acquire sole control of LED Enterprises Limited (“the Target”) (together “the Parties”).
2. The Proposed Transaction is to be implemented pursuant to a share purchase agreement (the “SPA”). Pursuant to the terms of the SPA, the Purchaser will acquire all the issued and outstanding shares of the Target and, thus, sole control of the Target.
3. The business activities of the undertakings involved are:

The Acquirer – Oaktree Capital

Oaktree Capital is indirectly jointly controlled by Oaktree Capital Group Holdings GP, LLC and Brookfield Corporation (“Brookfield”). Oaktree Capital, a global alternative and non-traditional investment management firm, controls a number of portfolio companies that generated turnover in the State. Brookfield, a global asset manager with an investment focus on real estate, infrastructure, renewable power, and private equity, controls a number of portfolio companies that generated turnover in the State.

The Target – LED Enterprises

LED Enterprises is an Isle of Man incorporated entity and its subsidiaries include the following corporate entities: (a) LED Associates Company which is a holding company that has no trading activity; and, (b) L.E.D Lighting and Electrical Distribution Group Limited (“LED Ireland”), an Irish incorporated company which consists of a number of trading entities active in a number of



countries including the UK, Europe, Africa, the Middle East, New Zealand, Australia and the State.

LED Enterprises has three main trading entities, namely, LED Ireland, the LED Group Australia PTY Ltd, and CP (Electric) Limited which are the contracting parties in respect of the Target's commercial arrangements for its two key brands: ROBUS and FuseBox. The ROBUS brand comprises electrical and lighting products that are sold through wholesalers in the UK, the State, Europe, the Middle East, Africa, Australia and New Zealand. The FuseBox brand is not sold 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 for assessing certain notifiable mergers or acquisitions under section 18 of the Act since:
 - none of the undertakings involved in the Proposed Transaction are active or potentially active in the same product and geographic markets.¹
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. The Parties state that Clause 14 of the SPA contains restrictions that are directly related and necessary to the implementation of the Proposed Transaction.
7. The Commission notes that Clause 14 contains non-compete and non-solicitation obligations on the Sellers. The Commission considers that the duration and scope of these restrictions do not exceed the maximum duration and scope acceptable to the Commission. The Commission therefore considers the restrictions contained in Clause 14 of the SPA to be directly related and necessary to the implementation of the Proposed Transaction.

¹ None of the portfolio companies controlled by either Oaktree Capital or Brookfield are active in the same product market and geographic market as the Target in 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 Transaction whereby Oaktree Capital Holdings LLC, through a special purpose vehicle, Squared Bidco Limited, would acquire sole control of LED Enterprises 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