

DETERMINATION OF MERGER M/24/076 – TENCENT MUSIC/ GMM Music (JV)

Section 21 of the Competition Act 2002

Proposed creation of a full function joint venture between Tencent Music Entertainment Hong Kong Limited and GMM Music Public Company Limited

Dated 23 December 2024

Introduction

1. On 6 December 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 creation of a full function joint venture (JVC) between Tencent Music Entertainment Hong Kong Limited (“TME”) and GMM Music Public Company Limited (“GMM Music”) (the “Proposed Transaction”).
2. The Proposed Transaction is to be implemented through a joint venture agreement, pursuant to which TME and GMM Music will own and control the joint venture company. TME will have a shareholding of 49% and GMM Music will have a shareholding of 51% in the joint venture company.
3. The business activities of the undertakings involved are:
 - **TME**
 - TME is an online music and audio entertainment platform in China, operating music apps, including QQ Music, Kugou Music, Kuwo Music and WeSing. TME also provides a library of music content and professionally generated video content, such as music videos, concerts and music shows.

- **GMM Music**
 - GMM Music is an integrated music business primarily active in Thailand. GMM Music is active in artist selection, music production, music content marketing, music copyright management, physical and digital music distribution, concerts and festival organising and artist management. It also operates a school for singers, musicians and artists to develop their potential and become professional artists. GMM Music's only material activity outside of Thailand is the wholesale supply of digital music content to digital services providers.

 - **JVC**
 - The JVC is expected to successfully develop, create, produce and operate the distribution businesses related to artist, music, content, and concert activities of GMM Music and TME. The JVC will operate as an independent entity with a market presence and will leverage the support of GMM Music and TME to identify and nurture potential stars in Thailand and China and produce popular music content.
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 acquisition are active or potentially active in the same product and geographic markets.¹
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.

¹ The Commission's Simplified Merger Notification Procedure Guidelines can be found [here](#).

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 creation of a full function joint venture between Tencent Music Entertainment Hong Kong Limited and GMM Music Public Company 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