

STEENSTRUP STORDRANGE

SIMPLIFIED MERGER NOTIFICATION

AMBEA NORGE AS

ACQUISITION OF SOLE CONTROL OF

VITALEGRUPPEN AS

OSLO, 26. SEPTEMBER 2016

Table of contents

1	Introduction.....	3
2	Notification in accordance with Regulation No. 1466/2013.....	3
2.1	Name and address of the parties to the merger or the party acquiring control	3
2.2	Information on the nature of the concentration	4
2.3	A description of the undertakings concerned and undertakings within the same group, including the structure and business activities of such undertakings.....	4
2.3.1	Undertaking acquiring control: Ambea Norge AS.....	4
2.3.2	Triton Fund III.....	4
2.3.3	KKR	5
2.3.4	Target company: Vitalegruppen AS.....	5
2.3.5	Turnover and operating profit in Norway in the last accounting period	5
2.4	Names of the five most important competitors, customers and suppliers in markets in Norway, or which Norway is a part of, where the concerned undertakings and undertakings within the same group are active on the same product market and on the same geographical market (horizontal overlap)	6
2.5	Annual reports and annual accounts of the concerned undertakings and the undertakings within the same group, if these are not publicly available.....	6
2.6	A statement explaining how the conditions in s. 3(1) of the Regulation, allowing for the filing of a simplified merger notification, are met	7

1 Introduction

This notification relates to the acquisition of sole control by Ambea Norge AS (“Ambea Norge”) of Vitalegruppen AS (“Vitalegruppen”).

Vitalegruppen had a turnover in Norway of MNOK 112,6 in 2015.

Ambea Norge is a newly formed holding company which is owned 100 % by Ambea AB. Ambea AB is owned by Ambea Holding AB («Ambea») which is a parent company in the Ambea group.

The group is jointly controlled by funds controlled by Triton and KKR. Triton alone had, through its portfolio companies («PCs»), a turnover in Norway which exceeded MNOK 1000 in 2015. The acquisition is thus to be notified in accordance with Section 17 of the Norwegian Competition Act.

Through Ambea’s subsidiary Heimta AS, Ambea is active on the same product/service market for the provision of healthcare and welfare services as Vitalegruppen. The conditions for the filing of a simplified merger notification are satisfied because the parties’ combined market share on the relevant market following the acquisition will not exceed 20 percent, cf. section 3 of Regulation No. 1466/2013.

The notification contains confidential information which should not be made available to the public. A proposed public version of the notification is attached in **Annex 1**, and reasons for the public version can be found in **Annex 2**.

The acquisition will not be implemented until the Norwegian Competition Authority’s (“NCA”) processing is finalised.

2 Notification in accordance with Regulation No. 1466/2013

2.1 Name and address of the parties to the merger or the party acquiring control

Notifying party

Name: Ambea Norge AS
Reg. No.: 916 722 052 (as a newly formed company, the registration number still refers to shelf company “EXTRA 144 AS”)
Address: c/o Heimta AS, Tørkoppveien 10, 1570 Dilling

Contact details

Name: Advokatfirmaet Steenstrup Stordrange DA
Reg. No.: Advokat Aksel Joachim Hageler
Address: Postboks 1829 Vika, 9123 Oslo
Phone: 22 81 45 35
Fax: 22 81 45 01
E-mail: ajh@steenstrup.no

Other concerned undertakings

Undertaking over which control is acquired:

Name: Vitalegruppen AS
Reg. No.: 990 546 762
Address: Postboks 351, 1326 Lysaker

2.2 Information on the nature of the concentration

The concentration concerns the acquisition by Ambea Norge AS of 100 % of the shares in Vitalegruppen from BSN Invest AS (reg. no. 996 884 120) and Thangs Holding AS (reg. no. 997 015 770).

The transaction will result in Ambea Norge AS obtaining control - for the purposes of the application of the merger provisions of the Competition Act – over Vitalegruppen.

2.3 A description of the undertakings concerned and undertakings within the same group, including the structure and business activities of such undertakings

2.3.1 Undertaking acquiring control: Ambea Norge AS

Ambea has been jointly controlled by Triton Fund III and KKR since 2010¹. Please see a description of Triton and KKR below.

Ambea is a provider of health and care services in Sweden and Finland. In Sweden, Ambea provides elder care through its subsidiary Vardaga, care services to people with disabilities through its subsidiary Nytida, and staffing and recruitment services through its subsidiaries Rent-a-Doctor, Rent-a-Nurse and Careteam.

Ambea AB is represented in Norway through Heimta AS (“Heimta”) which it owns through Solhagagruppen Enigma AB.

Heimta is a private healthcare provider which provides 24-hour residential care solutions and BPA (User-controlled personal assistance) services to its patients.

Both services are provided in cooperation with/on behalf of the municipality where the patients have their residence, and in order to gain access to the services the individuals must have approval from the public health service at their local municipality. Heimta provides the care services in their own care homes, mainly located in Østfold and Rogaland, in existing social housing and in the customer’s own residence.

Heimta currently has concessions for the delivery of BPA services in the following municipalities: Tromsø, Harstad, Oslo, Hobøl, Moss, Fredrikstad and Bergen.

Heimta AS’ main office is located in Dilling, near Moss.

2.3.2 Triton Fund III

Triton Fund III is part of the Triton group which comprises various independent funds and companies whose business activities are focused on investments in medium sized companies in Northern Europe, especially Austria, Germany, Switzerland and the five Nordic countries. For further information on Triton and its portfolio companies please see <http://www.triton-partners.com>

Triton does not have a controlling stake in any portfolio company which is active in the same market as the target company.

For a description of the portfolio companies controlled by Triton, please see **Annex 3**.

¹ See the EU Commission’s decision in M.5871 KKR/Triton/Ambea (25. Juni 2010). Some employees hold a limited non-controlling share in Ambea.

2.3.3 KKR

KKR is a global investment company which offers investors a variety of investment products and whose activities focus on investing in companies within a large number of sectors. For further information on KKR and its portfolio companies please see <http://www.kkr.com>

KKR does not have a controlling stake in any portfolio company which is active in the same market as the target company.

For a description of the portfolio companies controlled by KKR, please see **Annex 4**.

2.3.4 Target company: Vitalegruppen AS

Vitalegruppen is a Norwegian private healthcare and welfare service provider. The company provides the following services to its patients:

- BPA (User-controlled personal assistance),
- 24-hour care homes,
- a medical center in Lysaker, which includes psychology, osteopathy, physiotherapy, massage and personal training, and
- a psychology center in Lysaker.

The BPA services are offered to patients throughout the country via service concessions with the municipalities. Vitalegruppen currently has concessions with 35 municipalities. For a full list of the relevant municipalities, please see <http://vitale.as/hva-er-bpa/kommuneoversikt/>.

The company has a wholly-owned subsidiary, Bolig og Bistand AS (reg. no. 995198592), which offers housing and assistance to resource-demanding patients who require a supplement to services offered by the municipalities.

Vitalegruppen's registered office is located at Lysaker in Oslo.

2.3.5 Turnover and operating profit in Norway in the last accounting period

Undertaking	Turnover MNOK 2015	Operating profit MNOK 2015
Ambea Norge AS*	-	-
Heimta AS	83,6	5,5
Vitalegruppen AS	112,6	6,3

*Ambea Norge AS is a newly formed company, and did not have any turnover in the last accounting period.

Tritons total turnover in Norway in 2015 was approximately [REDACTED] (Triton Fund III – [REDACTED]) whilst KKR had a total turnover of approximately [REDACTED] in Norway in the last accounting period.

2.4 Names of the five most important competitors, customers and suppliers in markets in Norway, or which Norway is a part of, where the concerned undertakings and undertakings within the same group are active on the same product market and on the same geographical market (horizontal overlap)

Vitalegruppen

Competitors	Customers	Suppliers

Heimta

Competitors	Customers	Suppliers

2.5 Annual reports and annual accounts of the concerned undertakings and the undertakings within the same group, if these are not publicly available

Vitalegruppen AS

Annual report/accounts from 2015 are available at the Register of Company Accounts in Brønnøysund (Company Registration Number 990 546 762).

Heimta AS

Annual report/accounts from 2015 are available at the Register of Company Accounts in Brønnøysund (Company Registration Number 913 462 564).

Ambea AB

Annual report/accounts are attached to this notification as **Annex 5**.

KKR

The annual report/accounts can be downloaded from the following website:
http://ir.kkr.com/kkr_ir/kkr_annuals.cfm.

Triton Fund III

The annual reports/accounts for the various entities/partnerships comprising Triton Fund III are attached as **Annex 6** (no other type of annual report/account is produced by the fund).

2.6 A statement explaining how the conditions in s. 3(1) of the Regulation, allowing for the filing of a simplified merger notification, are met

In accordance with section 3(3)(b) of Regulation No. 1466/2013, a concentration subject to mandatory merger notification can be notified to the NCA through the use of a simplified merger notification where *“two or more of the undertakings are active on the same product market and geographical market (horizontal overlap), but where the parties’ combined market share does not exceed 20 per cent.”*

The notifying party considers that the provision of BPA and 24-hour home care services is the relevant product market. Further, it is likely that the relevant market’s geographical scope is national.

Both Vitalegruppen and Heimta supply their services through service concessions with the various municipalities. The concessions are awarded to private providers through competitive tenders. The contracts are normally awarded to the private providers which submit the most economically advantageous bid based on fulfillment of the criteria and weighing set out in the tender documents. Once awarded a contract, the successful provider will supply its health care services to residents in the relevant municipality in return for reimbursement from the municipality. Usually, numerous private providers have agreements with one municipality, the number being dependent on the size of the relevant municipality.

All interested suppliers may participate in the competitive tenders, and there is no requirement excluding bidders from participating if they are not located or already have a physical presence within the municipality announcing the tender. Both Vitalegruppen and Heimta are therefore able to supply its services to all areas of Norway, even in those areas where the companies are not currently physically present/established.

Both Vitalegruppen and Heimta’s largest and most important customers are the municipalities. Based on the above, it is thus likely that the relevant market is national in geographic scope.

Norwegian municipalities are responsible for ensuring adequate health and care services to people resident within its regions. The municipalities can choose whether to offer such services themselves or whether to wholly or partially make the services available through private providers via competitive tendering. Most municipalities offer at least part of their health services through private providers, but the largest providers in all regions are by far the municipalities themselves.

Ambea AB operates exclusively in Sweden, with a minor presence in Norway through Heimta. Heimta has a small overlapping activity with Vitalegruppen in Norway, but holds a modest share of the Norwegian market for the provision of healthcare and welfare services. Neither KKR or Triton nor any of the portfolio companies controlled by KKR and Triton are active in the same market as Vitalegruppen.

As a consequence of the above, the concerned parties’ combined market share is deemed not to exceed 20 % in the relevant market, and the concentration does not have the potential to significantly impede effective competition contrary to the purpose of § 16 of the Norwegian Competition Act.

Advokatfirmaet Steenstrup Stordrange DA



Aksel Joachim Hageler
Partner | Advokat