

Simplified notification of concentration

between

Nalka Invest AB

and

Certego AS

Certego AB

Certego A/S

Certego Oy

Oslo, 14 July 2020

Confidential
Contains business secrets

Ref.: #2988412

Advokatfirmaet BAHR AS

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1. CONTACT DETAILS

1.1 The notifying party

Name: Nalka Invest AB
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1.2 Other involved party

Name: **Certego AS**
Reg. no.: 977 023 637
Address: Fabrikkgaten 5, NO-5059 Bergen, Norway

Name: **Certego AB**
Reg. no.: 556529-5911
Address: Box 503, SE-721 09 Västerås, Sweden

Name: **Certego A/S**
Reg. no.: 26377870
Address: Marielundvej 48, DK-2730 Herlev, Denmark

Name: **Certego Oy**
Reg. no.: 2127363-0
Address: Rajatorpantie 8, FI-01600 Vantaa, Finland

2. THE NOTIFIED CONCENTRATION

- (1) This notification concerns the proposed acquisition by Nalka Invest AB ("Nalka Invest") of all the shares of Certego AS, Certego AB, Certego A/S and Certego Oy ("Certego Group") (together the "Parties"). According to a Share Purchase Agreement of 2 July 2021, Nalka Invest, will indirectly through the holding company Goldcup 27959 AB (in the process of changing its name to Locksley Holding AB) acquire 100 % of the shares in Certego Group (the "Transaction").
- (2) Nalka Invest is a Swedish investment company that invests in Nordic companies in different industries with the purpose to develop these and make them long-term profitable.

- (3) Through acquiring 100 % of the company shares, Nalka Invest will acquire sole control of Certego Group. Hence, the proposed acquisition constitutes a change of control according to Section 17 of the Norwegian Competition Act. Completion is conditioned on approval from the Norwegian Competition Authority, as well as the competition authority in Sweden, Denmark and Finland.

3. APPLICABILITY OF THE SIMPLIFIED MERGER PROCEDURE

- (4) The Parties submit that the transaction fulfils the criteria for a simplified notification in accordance with Section 3, first paragraph, item 3, letter b and c of the Regulation on the Notification of Concentration ("Regulation of Notification").
- (5) It follows from the Regulation of Notification that a concentration can be notified by way of a simplified notification where there are no horizontal or vertical overlaps between the parties.
- (6) As described in further detail in Section 6 below, Certego Group and the portfolio companies controlled by Nalka Invest are neither active in any of the same markets, nor do they hold any vertical relations. As such, the criteria for submitting a simplified notification are met.

4. THE PARTIES

4.1 Nalka Invest AB and the Interogo Foundation

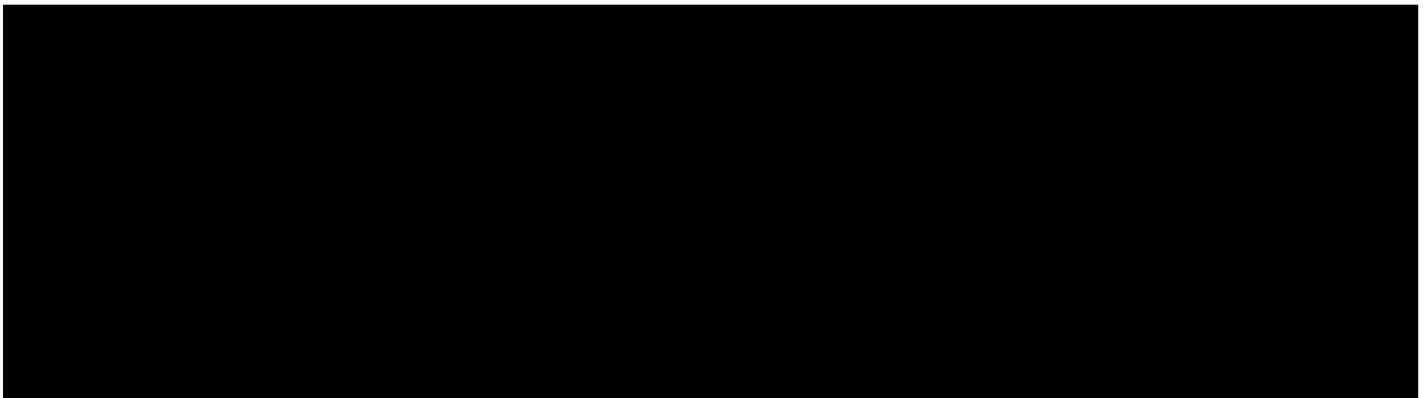
- (7) **Nalka Invest** is a Swedish investment company that invests in Nordic companies in different industries with the purpose to develop these and make them long-term profitable. Nalka Invest's portfolio company conducts the following businesses:

- **Intrac Group:** The company provides forestry and agricultural machinery in the Baltics.
- **Forsbergs Fritidscenter¹:** The company provides caravans and mobile homes in Sweden.
- **Eson Pac:** The company provides packaging solutions, including cartons, brochures and labels to a global customer base.
- **Office Management:** The company provides integrated solutions in IT, communication and offices to small and medium-sized companies in the Nordic.
- **Open Air Group:** The company provides products in hunting and outdoor life in Sweden, Finland and Norway.
- **Lekolar:** The company provides educational aids, toys, furnishings and consumables for schools and preschools in the Nordic.
- **Cibes:** The company manufactures and install low-speed platform lifts in more than 70 countries.

¹ Currently subject to divestment, signing date 30 June 2021, and planned closing date in August 2021. The transaction is subject to approval from the Swedish Competition Authority.

- **OneMed:** The company provides medical devices and supplies, laboratory products, chemicals and hospital supplies in Europe.
 - **Protototal:** The company provides plastic components and different plastic materials with different manufacturing techniques (e.g. 3D printing, casting and injection moulding prototypes).
 - **Best:** The company is active in express deliveries and provides services in administration and logistics, courier, distribution and home deliveries.
- (8) In addition, Nalka Invest recently acquired Uniwater AB. The transaction is however not yet closed.²
- (9) All the portfolio companies, except Forsbergs Fritidscenter, have sales in Norway. The turnover in Norway amounts to [REDACTED].
- (10) For more information, see <https://www.nalka.com/>.
- (11) Nalka Invest is indirectly controlled by Interogo Foundation, an enterprise foundation registered in Liechtenstein. Interogo Foundation is a self-owned entity, and there is no, nor can there be, any individual beneficiary. Funds held by the foundation can only be used in accordance with the foundation's purpose.
- (12) The Interogo Foundation owns and controls Inter IKEA Holding BV and its subsidiaries ("Inter IKEA Group"). Inter IKEA Group is the group of companies that connects IKEA franchisees with range development and suppliers, and aligns the overall IKEA strategic direction. Inter IKEA Group divides its business into the following areas: (1) IKEA Franchising, which operates the IKEA franchising model, (2) IKEA Industry, which manufactures furniture, and (3) IKEA Range & Supply, which develops, designs and produces products, in particular furniture.
- (13) The worldwide IKEA warehouses are operated on a franchising model. With the exception of a concept warehouse in the Netherlands, no IKEA warehouses are operated by companies controlled by the Interogo Foundation. All IKEA warehouses in the Nordics are operated by franchisors controlled by Stichting INGKA Foundation. There is no common ownership between Stichting INGKA Foundation and the Interogo Foundation, and they are separate undertakings.³

Figure 1 Structure chart of the Interogo Foundation and Nalka Invest



² <https://news.cision.com/se/uniwater-ab/r/nalka-blir-ny-huvudagare-till-uniwater,c3368147>

³ See Commission Decision in M.8047 INTER IKEA HOLDING / PARTS OF INGKA HOLDING

4.2 Certego Group

- (14) Certego is a provider of complete security solutions, with a comprehensive offering across mechanical, electro-mechanical and electronic security (locks & cylinders, access control, CCTV, alarms, and more). Thus, Certego is involved in the entire process of getting the customers' security solutions in place; design, install, test and deploy and is also active in the after-market with planned maintenance and service.
- (15) Certego is active in delivering of security solutions in the Nordic region and conducts business in Sweden, Denmark, Norway and Finland. Certego has 69 branches and approximately 1 200 employees in total in the Nordic countries. Certego's head office in Sweden is located in Västerås.
- (16) Certego offers comprehensive security solutions that span across mechanical, electro-mechanical and electronic security (ESS).
- (17) Certego offers the following services:
 - Consulting and planning
 - Installation and commissioning
 - Hosting and administration
 - Service and maintenance
 - Modernization and upgrading
- (18) This means that Certego advises customers on what products to use and how to create a complete integrated security system (consulting and planning), visits the customer and installs and configures the products and system (installation and commissioning), offers hosting and administration of servers used for CCTV (hosting and administration), performs maintenance on its security solutions and repairs products if needed (service and maintenance) and offers its clients the ability to upgrade to newer products in order to stay at the forefront of security (modernization and upgrading).
- (19) Certego offers the following products:
 - Locks & fittings (different types of locks)
 - AC and T&A systems (access control to buildings)
 - Door automation (locking/opening mechanisms)
 - CCTV (video surveillance)
 - Alarms (burglar and evacuation alarms)
 - Key & card services (key management of traditional keys and mobile tokens)
 - Intercom and booking systems (for managing visitors)

- (20) In broad strokes, the value chain for security solutions consists of *manufacturing, distribution, installation* and *service & maintenance*. Certego is placed in the later end of this value chain as it delivers security solutions to end-customers and offers *installation* and *service & maintenance* to its customers.
- (21) The market for security solutions may also be divided into the following sectors/branches:
- Traditional locksmith and security solutions (mechanical, electro-mechanical, electronic security (ESS) and monitoring/service center)
 - Private security/guarding (manned guarding, monitoring/service center and electronic security (ESS))
 - Building and industrial services (fire & security, electricity, entrance automation, heat and plumbing and industrial automation).
- (22) Certego's business offer spans across all these areas except for manned guarding, heat & plumbing and industrial automation.
- (23) Certego has a diversified customer base, ranging from multi-residential owners to corporations and high security public customers. A non-material part of the business is conducted directly to consumers. The company also has a professional shop at each of its 69 locations.
- (24) For more information, see: <https://www.certego.no/no/site/certegono/om-certego/>.

5. TURNOVER

Turnover in Norway, 2020 (NOK)	
Nalka Invest ⁴ (<i>total turnover for the Buyer's Group</i>)	
Inter IKEA Holding B.V.	
Interogo Holding AG	
Certego Group	

6. COMPETITIVE ASSESSMENT

- (25) The Transaction relates to security solutions. For the purpose of assessing the competitive effects of the Transaction, however, the exact market definition can be left open, as there are no horizontal overlap or vertical relations between the activities of Certego Group and Nalka Invest and its portfolio companies, regardless of how the relevant product or geographic markets are defined.
- (26) Certego is a provider of complete security solutions, with a comprehensive offering across mechanical, electro-mechanical and electronic security. Neither Nalka Invest, the Nalka Invests portfolio companies nor any other company controlled by the Interogo Foundation is

⁴ Nalka Invest is part of the Interogo Group that consists of two separate parts; Interogo Holding AG and Inter IKEA Holding B.V. Since Interogo Holding AG's financial year is the calendar year while Inter IKEA Holding B.V. has a broken financial year (1/9-31/8), the turnover for Nalka Invest is reported in two subcategories which are then summarized.

active within security solutions. There is therefore no horizontal overlap between the parties.

- (27) Further, none of Nalka Invest, the Nalka Invest portfolio companies nor any other company controlled by the Interogo Foundation on the one hand and Certego Group on the other hand, are not active on any markets upstream or downstream from one another, and none of the products or services offered by the Certego Group are input factors for any products or services provided by the Nalka Invest portfolio Companies.⁵ The transaction will therefore not create any vertical relationships or allow for conglomerate spillover effects between the activities of the portfolio companies. In any event, neither the Nalka Invest portfolio companies nor Certego Group have a market share above 30 % on any relevant market.

7. CUSTOMERS, COMPETITORS AND SUPPLIERS

- (28) As there are no horizontal overlaps between the parties, it is not necessary to provide a list of most important customers, competitors and suppliers, cf. the Regulation on the Notification of Concentrations Section 3, second paragraph, letter d.

8. ANNUAL REPORTS

- (29) The Interogo Foundation does not consolidate its accounts. The accounts for Interogo Holding AG are available at <https://www.interogoholding.com/media-and-reports/annual-reports-to-download/>, while the accounts for Inter IKEA Holding B.V. are available at <https://www.inter.ikea.com/en/performance/download-financial-reportshttps://www.inter.ikea.com/en/newsroom/inter-ikea-group-reports-solid-financial-performance-in-challenging-times>.


- (30) The 2020 annual accounts for Nalka Invest AB is attached as **Annex 1**.

- (31) The 2020 annual accounts for Certego AS are publicly available and are therefore not attached to this notification. The 2020 accounts for Certego AB and Certego A/S, as well as the 2019 accounts for Certego Oy are attached as **Annex 2, 3 and 4**.

9. OTHER

- (32) The transaction will also be notified to competition authorities in Denmark, Finland and Sweden.

10. CONFIDENTIALITY

- (33) The notification contains business secrets. The business secrets are marked with a  background. Reasons for an exemption from public disclosure are set out in **Annex 5**.

⁵ The Certego Group delivers products and services to businesses as end-users. As such, the Nalka Invest portfolio companies are potential customers of the Certego Group. However, these companies are only a few of a high number of potential business customers, and consequently constitute a negligible share of its markets.

Yours sincerely,
for Advokatfirmaet BAHR AS

A handwritten signature in blue ink, reading "Ingeborg M Gudem".

Ingeborg Maria Gudem
Associate
Lawyer in charge: Helge Stemshaug