

Disclaimer :

The Competition DG makes the information provided by the notifying parties in section 1.2 of Form CO available to the public in order to increase transparency. This information has been prepared by the notifying parties under their sole responsibility, and its content in no way prejudices the view the Commission may take of the planned operation. Nor can the Commission be held responsible for any incorrect or misleading information contained therein.

M.8251 - BITE/TELE2/TELIA LIETUVA/JV

SECTION 1.2

Description of the concentration

The proposed concentration concerns the acquisition within the meaning of Article 3(1)(b) and 3(4) of the Merger Regulation of joint control by undertakings UAB “Bitė Lietuva”, UAB “TELE2” and Telia Lietuva, AB (the ‘Notifying Parties’) over a newly created full-function joint venture company UAB “Mobilūs mokėjimai” (the ‘Newco’) by way of purchase of shares.

The main business activities of the Notifying Parties are:

- (i) UAB “Bitė Lietuva” is a mobile network operator in Lithuania and is engaged in the provision of wholesale and retail mobile telecommunications services (voice and data) and retail sales of mobile handsets, tablets and their accessories. *UAB “Bitė Lietuva” also provides certain fixed network-based services (using its own fiber network and local loops from the third parties), such as retail fixed broadband internet access services, data transmission (business connectivity) services, provision of dedicated internet access services, however these activities are not among core business activities of UAB “Bitė Lietuva”.* UAB “Bitė Lietuva” is ultimately controlled by Providence Equity, an international investment firm with equity interests in various companies worldwide active in the sectors of telecommunications, media, education and information technologies;
- (ii) UAB “TELE2” is a mobile network operator in Lithuania and is engaged in the provision of wholesale and retail mobile telecommunications services and retail sales of mobile handsets, tablets and their accessories. UAB „TELE2“ belongs to Tele2 group, a group of telecommunications companies with mobile and fixed telecommunications operations in multiple European countries. Tele2 group is ultimately controlled by investment group Kinnevik, a Swedish investment company with equity interests in various companies worldwide active in the sectors of telecommunications, e-commerce, entertainment and financial services;
- (iii) Telia Lietuva, AB is a mobile and fixed network operator in Lithuania and is engaged in the provision of wholesale and retail mobile and fixed electronic communications services. Telia Lietuva, AB is also a provider of IT services (such as data centre (co-location) services, IT infrastructure management, and others). Additionally, Telia Lietuva, AB is engaged in retail sales of computers and IT equipment, TV devices and game consoles, mobile handsets, tablets and their accessories. Telia Lietuva, AB belongs to Telia group which comprises fixed and mobile telecommunications companies in Europe and Asia.

The Newco is to operate as an electronic money institution subject to the Bank of Lithuania’s regulatory supervision and it will be engaged in the provision of payment services to businesses and consumers in Lithuania. *The Newco will operate a new mobile payments ecosystem whereby a new mobile payments solution will be offered to consumers (mobile telephony subscribers) and retailers in Lithuania.*