

**PUBLICATION OF THE NON-CONFIDENTIAL VERSION
OF THE DECISION OF THE OFFICE FOR COMPETITION
OF 5th JUNE 2020
ON FULL-FUNCTION JOINT VENTURE**

**ADDRESSED TO RETAIL MARKETING LIMITED,
CO-OP TRADING COMPANY LIMITED,
POLREM LIMITED,
S. BORG & SONS LIMITED,
TOWER SUPERMARKETS COMPLEX LIMITED,
VALYOU PENDERGARDENS OPERATIONS LTD,
BELLEVIEW SUPERMARKETS CO. LTD.
AND VALYOU SUPERMARKET LIMITED**

**DECLARING THAT THE CONCENTRATION IS LAWFUL IN TERMS
OF THE PROVISIONS OF THE CONTROL OF CONCENTRATIONS
REGULATIONS, 2002**

OFFICE FOR COMPETITION - CASE COMP/MCCAA/01/2020

**Members of the Office for Competition who conducted the
Assessment of this concentration**

Gilmour Camilleri (Director Communications, Energy, Transport and Financial Services)

Jessica Pace (Junior Economist within the Communications, Energy, Transport and Financial Services Directorate)

Daniel Gravino (Consultant to the Office for Competition)

Aloysius Bianchi (Legal Advisor and Director Inspectorate and Cartel Investigations)

Director General of the Office for Competition

Godwin Mangion

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Note: Confidential information in the original version of this Decision has been redacted from the published version available on the MCCA website. Redacted confidential information in the text of the published version of the Decision is indicated by [X].

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The Office for Competition,

Having regard to the Control of Concentrations Regulations (Subsidiary Legislation 379.08),

Having regard to all the information and supporting documentation submitted by the parties,

Having regard to the Office's decision of 13 February 2020 to initiate a Phase II investigation on this proposed concentration,

Having considered European case-law,

Having given the undertakings concerned the opportunity to make their views known to the Office,

Whereas:

1. Introduction

1. On 30 December 2019, the Office for Competition within the Malta Competition and Consumer Affairs Authority (hereinafter referred to as "the Office") received a notification of a proposed concentration pursuant to regulation 5 of the Control of Concentrations Regulations by which Retail Marketing Limited (hereinafter also referred to as "joint venture entity") will itself take over all supermarket operations currently being conducted by Co-op Trading Company Limited, Polrem Limited, S. Borg & Sons Limited, Tower Supermarkets Complex Limited, Valyou Pendergardens Operations Ltd., Belleview Supermarkets Co. Ltd. and Valyou Supermarket Limited (hereinafter collectively referred to as "the Notifying Parties").
2. The filing and the acceptance of such notification was notified to the public through a public notice in the Government Gazette number 20,327 on 10 January 2020 and a notice that appeared in a local newspaper and on the Malta Competition and Consumer Affairs Authority's website on 10 January 2020.
3. Together with the Concentration Notification (CN) form, the notifying parties also submitted an economic and competitive assessment as compiled by Deloitte Services Limited on the grocery retail market in Malta. The aim of this market competitive assessment is to analyse and assess the indicative market competitive environment prevailing in the grocery retail sector both pre- and post- the potential integration of the operational activities of the four (4) established local supermarket chains, which collectively operate eight (8) retail supermarkets and one (1) convenience shop in Malta as shown in Table 1 below. In their market competitive assessment, the notifying parties estimated their market share to total [x] per cent of the total grocery market and [x] per cent of the supermarket sector, the discrepancy attributed to the fact that the former also includes convenience stores and local village grocers. As a result, the notifying parties argued that the Office should adopt the simplified procedure in assessing their proposed concentration in line with regulation 12 of the Control of Concentrations Regulations.

Table 1: Supermarkets involved in this Proposed Full-Function Joint Venture

No	Supermarket	Company
1	Park Towers Supermarket - Santa Venera	S. Borg & Sons Ltd.
2	Park Towers Supermarket – Spinola Park, St Julian's	S. Borg & Sons Ltd.
3	Park Towers Supermarket - Balluta, St Julian's (Convenience Shop)	S. Borg & Sons Ltd.
4	Valyou Supermarket – Mellieha	Belleview Supermarkets Co. Ltd.
5	Valyou Pendergardens Supermarket - Pendergardens	Valyou Pendergardens Operations Ltd.
6	Valyou Naxxar Supermarket – Naxxar	Valyou Supermarket Limited
7	Tower Supermarket – Sliema	Tower Supermarkets Complex Ltd.
8	Trolees Supermarket – Qawra	Co-op Trading Co. Ltd.
9	Lasco Supermarket – Zejtun	Polrem Ltd.

4. After a preliminary examination of the statistical data provided by the notifying parties in the market competitive assessment, the Office felt the need to collect data both from the demand-side and the supply-side of the grocery retail market.
5. From a demand-side perspective, the need for demand-side data is due to three main reasons: (i) to properly define and delineate the grocery market in Malta, (ii) to ascertain that the competitive assessment reflects the local context rather than simply relying on European case law and, (iii) to ensure that the decision taken by the Office in its competitive assessment is backed by market data rather than based on elements of subjectivity. The Office therefore felt the need to ascertain that the demand-side characteristics upon which the Office based its competitive assessment truly reflect the local context by a tailor-made methodology designed to elicit consumer behaviour and perception in the Maltese grocery retail market. The fieldwork has taken place in February by means of computer-assisted telephone interviews.
6. From a supply-side perspective, the Office gathered preliminary data through an RFI sent to the main supermarkets in Malta. In the same correspondence, the Office invited the stakeholders to submit any written objections which they may have on the proposed concentration. There was only one third-party who argued that this concentration would lead to the lessening of competition within this sector.
7. Following the RFIs sent to the main supermarkets in Malta, the Office also sent an RFI to the notifying parties on 15 January 2020 for which a complete answer was received on 27 January 2020. During this period, the Office convened a meeting with the notifying parties on 21 January 2020 during which a number of methodological and statistical issues on the market competitive assessment were discussed.
8. Following the submissions of the notifying parties to the Office's RFI, a thorough review of European case law pertaining to the grocery retail sector and a deeper market investigation of the proposed concentration, the Office concluded that the proposed concentration could *prima facie* limit competition without providing sufficient pro-competitive effects. To this end, the Office convened a meeting with the notifying parties on 29 January 2020 to inform them of the Office's intention to initiate a phase II investigation. The Office adopted a decision to initiate proceedings pursuant to Article 6(1) (iii) of the Control of Concentrations Regulations on 13 February 2020.
9. A state of play meeting between the notifying parties and the Office was held on 28 February 2020 whereby the discussion was focused on the competition concerns of the

Office. A redacted version of the decision to initiate a phase II investigation was published on 6 March 2020.

10. This decision was adopted after the Office concluded that *prima facie* there was the possibility of a substantial lessening of competition (SLC) when defining the relevant geographic market at a local level. The Office argued that an SLC could possibly occur in local geographic markets which contain more than one of the grocery stores involved in this concentration. According to the Office's preliminary assessment, serious doubts existed in the areas where any of the above-mentioned grocery stores are in close proximity to each other, i.e. the Sliema - St.Julian's and the Qawra – Mellieha areas. The Office noted that these areas might potentially be more concentrated relative to the other local geographic areas delineated for the other supermarkets not located in the above-mentioned areas. Notwithstanding this, the Office noted that the above arguments were being submitted on a *prima facie* basis and as a result, a detailed investigation was warranted in order to verify the concerns which the proposed concentration may bring about.
11. A phase II investigation was officially initiated on 13 February 2020. The objective of the investigation was for the Office to decide:
 - a. whether arrangements are in progress or in contemplation which, if carried into effect, will result in the creation of a relevant concentration situation; and
 - b. if so, whether the creation of that situation may be expected to result in an SLC within any market or markets in Malta.
12. To this end, the Office was required to assess what effect the concentration will have on competition, which in the end is the process of rivalry over time between businesses seeking to win customers' business by offering them a better deal. An SLC occurs when rivalry is substantially less intense after a concentration than would have otherwise been the case, resulting in a worse outcome for customers.
13. In order to be able to do so and accounting for the fact that the previous exercise related to the supply-side of the market involved sending an RFI only to the main supermarkets in Malta, primarily covering data collection related to store market size and turnover, the Office compiled a database of all supermarket chains and grocery retail outlets operating in Malta and sent a detailed RFI to each undertaking on 17 March, respectively. This process took approximately 6 weeks to complete and involved contacting nearly 400 different supermarket chains and grocery retail outlets. Complete answers were received by 30 April.
14. The same RFI sent to the supermarket chains and grocery retail outlets operating in Malta was also sent to the notifying parties on 14 April for which a completed answer was received on 29 April.
15. All gathered data from the demand-side and the supply-side were analysed accordingly. Such analysis formed the foundations for the Office's definition of the relevant markets and the estimation of concentration measures.
16. The rest of the report is structured as follows; Chapter 2 provides information on the undertakings concerned, the proposed concentration and its rationale, the legal basis, third-party objections and the counterfactual considered. Chapter 3 provides a detailed review of the literature including, a theoretical overview of the competitive effects which are usually assessed as theory of harms in such concentrations. Chapter 4 provides an overview of the grocery retail market in Malta whereas, Chapter 5 deals with the market definition. In this decision, the competitive assessment of the Office and how the Office

arrived at the conclusion that this concentration does not lead to an SLC in the Maltese market can be found in the latter chapter. Chapter 6 concludes.

17. A redacted summary decision was published on the MCAA's website on 5 June 2020, therefore respecting the time limits imposed in regulation 9 of the Control of Concentrations Regulations. This non-confidential version of the decision together with its appendices, constitutes the Office's findings, published according to provisions of the Control of Concentrations Regulations¹ and notified to the notifying parties.

2. The Parties, Transaction, Legal Basis, Rationale for the Concentration, Third-Party Objections and Counterfactual

2.1 The Parties

18. Co-op Trading Company Limited is a limited liability company registered in Malta with company registration number C11111. It has its registered office situated at 345/346, Farm Lane, Mellieha, Malta. Co-op Trading Company Limited operates Trolees Supermarket situated at il-Merluzz Street, Qawra, Malta.

Based on audited financial statement for the year ended 31 December 2018, Co-op Trading Company Limited generated a total revenue of [REDACTED].

19. Polrem Limited is a limited liability company registered in Malta with company registration number C14066. Its registered office is situated at 42, Sir Paul Boffa Avenue, Bir id-Deheb, Zejtun, Malta. Polrem Limited operates Lasco Supermarket which is situated at Triq il-President Anton Buttigieg, Zejtun, Malta.

Based on audited financial statement for the year ended 31 December 2018, Polrem Limited generated a total revenue of [REDACTED].

20. S. Borg & Sons Limited is a limited liability company registered in Malta with company registration number C8587. Its registered office is situated at Park Towers Supermarkets, Spinola Park, Mikiel Ang Borg Street, St Julian's. The company operates the Park Towers Supermarkets situated at Spinola Park in St. Julian's, Psaila Street in Santa Venera and Gorg Borg Oliver Street in St Julian's Malta.

Based on audited financial statement for the year ended 31 December 2018, S. Borg & Sons Limited generated a total revenue of [REDACTED].

21. Belleview Supermarkets Company Limited is a limited liability company registered in Malta with company registration number C54390. Its registered office is situated at Valyou Supermarket, Main Street, Mellieha, Malta which the said company operates.

Based on audited financial statement for the year ended 31 December 2018, Belleview Supermarkets Company Limited generated a total revenue of [REDACTED].

22. Tower Supermarkets Complex Limited is a limited liability company registered in Malta with company registration number C23628. Its registered office is situated at Tower

¹ Regulation 17.

Supermarkets Complex, High Street, Sliema, Malta. The company operates Tower Supermarket, situated at High Street, Sliema, Malta.

Based on audited financial statement for the year ended 31 December 2018, Tower Supermarkets Complex Limited generated a total revenue of [€].

23. Valyou Pendergardens Operations Limited is a limited liability company registered in Malta with company registration number C12098. Its registered office is situated at Valyou Supermarket, Parish Street, Naxxar, Malta. Valyou Pendergardens Operations Limited operates Valyou Pendergardens Supermarket which is situated at Sant' Andrija Street, Pendergardens, Malta.

Based on audited financial statement for the year ended 31 December 2018, Valyou Pendergardens Operations Limited generated a total revenue of [€].

24. Valyou Supermarket Limited is a limited liability company registered in Malta with company registration number C29775. The company has its registered office situated at Valyou Supermarket, Parish Street, Naxxar, Malta. Valyou Supermarket Limited operates Valyou Naxxar Supermarket which is situated at Parish Street, Naxxar.

Based on audited financial statement for the year ended 31 December 2018, Valyou Supermarket Limited generated a total revenue of [€].

25. Retail Marketing Limited is a limited liability company registered in Malta with company registration number C34303. The company has its registered office situated at Hard Rocks Complex, Wied il-Ghasel, Naxxar, Malta. Retail Marketing Limited was incorporated in 2004 [€].

The ultimate beneficial owners of the companies listed in paragraphs (18) to (24) are also ultimate beneficial owners of Retail Marketing Limited and between them hold the majority of the ultimate beneficial ownership of the issued ordinary shares of Retail Marketing Limited. The remaining shareholding is of Shoppers Limited which upon the implementation of the concentration, it will no longer hold, whether directly or indirectly, any shares in Retail Marketing Limited and accordingly will no longer be involved in any manner in or with Retail Marketing Limited.

Based on audited financial statement for the year ended 31 December 2018, Retail Marketing Limited generated a total revenue of [€].

2.2 Transaction - Full Function Joint Venture

26. As agreed by all notifying parties pursuant to board resolutions approved on the 26 and the 27 December, 2019, the nature of the concentration is a full-function joint venture whereby Retail Marketing Limited – being the joint venture entity - will itself take over all supermarket operations currently being conducted by Co-op Trading Company Limited, Polrem Limited, S. Borg & Sons Limited, Tower Supermarkets Complex Limited, Valyou Pendergardens Operations Ltd, Belleview Supermarkets Co. Ltd. and Valyou Supermarket Limited. Each of the aforementioned current supermarket operators will cease to conduct its supermarket business which will in turn be taken over and operated by Retail Marketing Limited as a result of the transaction.

27. Currently, the registered direct holders of the ordinary shares which are currently in issue in the capital of Retail Marketing Limited are the following:

- a. Co-op Trading Company Limited, representing 12.5% of the total issued share capital of Retail Marketing Limited;
 - b. Polrem Limited, representing 12.5% of the total issued share capital of Retail Marketing Limited;
 - c. S. Borg & Sons Limited, representing 25% of the total issued share capital of Retail Marketing Limited;
 - d. Shoppers Limited, representing 12.5% of the total issued share capital of Retail Marketing Limited;
 - e. Tower Supermarkets Complex Limited, representing 12.5% of the total issued share capital of Retail Marketing Limited;
 - f. Valyou Pendergardens Operations Ltd., representing 12.5% of the total issued share capital of Retail Marketing Limited;
 - g. Valyou Supermarket Limited, representing 12.5% of the total issued share capital of Retail Marketing Limited.
28. Prior to the implementation of the transaction, certain ultimate beneficial owners of each notifying party will incorporate a new company (hereinafter "HoldCo") in which such ultimate beneficial owners will directly subscribe for and hold shares. HoldCo would then acquire all the shares which are currently in issue in the capital of Retail Marketing Limited, such that Retail Marketing Limited will become a wholly owned subsidiary of HoldCo.
29. Upon completion of the transaction, all shares issued in the capital of Retail Marketing Limited will be owned and held by HoldCo. The shares issued in the capital of HoldCo will, in turn, be owned and held by the following persons:
- a. [X], as to [X] of all the issued share capital of HoldCo;
 - b. [X] as to [X] of all the issued share capital of HoldCo;
 - c. [X] as to [X] of all the issued share capital of HoldCo;
 - d. [X] as to [X] of all the issued share capital of HoldCo;
 - e. [X] as to [X] of all the issued share capital of HoldCo;
 - f. [X] as to [X] of all the issued share capital of HoldCo;
 - g. [X] as to [X] of all the issued share capital of HoldCo.

All ordinary shares which will be subscribed in HoldCo will have the same rights for both voting and entitlements in connection with any distribution whether of dividend or capital.

30. Upon the implementation of the above proposals, the operation of all supermarkets referred to above will effectively be taken over and conducted by Retail Marketing Limited. As a result, Co-op Trading Company Limited, Polrem Limited, S. Borg & Sons Limited, Belleview Supermarkets Co. Ltd., Tower Supermarkets Complex Limited, Valyou Pendergardens Operations Ltd. and Valyou Supermarket Limited will no longer conduct any supermarket business in Malta.

31. Completion of the concentration is conditional upon a number of conditions, including *inter alia*, the clearance from the Office for Competition within the Malta Competition and Consumer Affairs Authority.

2.3 Legal Basis and Jurisdiction

32. According to Regulation 4 of the Control of Concentrations Regulations, it shall be the duty of the Director General of the Office for Competition to determine whether a concentration leads to an SLC in the Maltese market or a part thereof and if so, prohibit it.
33. The Office considers that the joint venture will perform on a lasting basis all the functions of an autonomous economic entity within the meaning of Regulation 2 of the Control of Concentrations Regulations and that the proposed transaction thus constitutes a concentration.
34. Furthermore, regulation 6(1) (iii) of the Control of Concentrations Regulations holds that where the Director General of the Office for Competition finds that the anticipated concentration raises serious doubts as to its lawfulness in terms of the provisions of these regulations, he shall decide to initiate proceedings.
35. According to regulation 8(1) of the Control of Concentrations Regulations, all proceedings initiated pursuant to regulation 6(1) (iii) of the Control of Concentrations Regulations shall be closed by means of a decision. In fact, the final summary decision was published on 5 June 2020 in line with regulation 8(2) of the Control of Concentrations Regulations and in accordance with the time limits stipulated in regulation 9(3) of the Control of Concentrations Regulations.

2.4 The rationale for the Concentration

36. The notifying parties stated that the rationale for the concentration is to create a dynamic new player in the Maltese grocery retail market. The notifying parties noted that they need to improve their customer proposition as a result of the changes in the Maltese market over recent years driven primarily by the mainstream success of significant entries and expected future changes as the result of expansions or new entrants.
37. In their communication dated 30 December 2019, the notifying parties highlighted that during the recent years, the Maltese grocery retail market experienced two significant entries and expansions; (i) LIDL which managed to increase its revenue [x€], and (ii) PAMA supermarket which opened its premises at the end of 2015 and which for the financial year ending April 2019, generated a revenue of nearly [x€].
38. In the same communication, the notifying parties highlighted that going forward, they are expecting another two important changes in the Maltese grocery retail market; (i) SPAR Malta Ltd is expected to expand by opening a total of 23 stores by 2025, including two INTERSPAR hypermarkets, four large-format SPAR supermarkets and 17 SPAR

neighbourhood stores², and (ii) the entry of Eurospin which is expected to launch 5 stores in Malta over the short-term, with plans for 12 in total.³

39. In view of the above, the notifying parties believe that the Maltese grocery retail market is continuously becoming more heavily characterised by consumer expectations of increased quality and convenience at lower prices. On the other end, the above entries and expansions in the Maltese grocery retail market which have happened, or which are expected to happen over the short-term, means that today the market is shaped with firms having more efficient cost structures and enjoying economies of scale which exert fierce competition. It is the view of the notifying parties that these challenges require them to narrow the cost advantage of discounters and that this cost reduction requires significant changes in their underlying operating models.
40. In fact, once consolidated, the group is seeking to improve operational efficiencies in order to be able to better defend against the mounting threats of international supermarket chains and convenience store chains. Improved efficiencies are expected from the consolidated knowledge of the directors, improved price and product offerings and improved central support functions.
41. Notwithstanding this, the notifying parties highlighted that while an increase in efficiency would unlock cost savings and that a proportion of these savings would be passed on to the consumers in the form of price reductions, however, it would be impossible to compete solely on price especially when it comes to competing with hard discounters such as LIDL.
42. In light of this, the notifying parties believe that their survival hinges on their ability to up their market by investing in greater quality, service and convenience to deliver an overall more compelling customer proposition.
43. The notifying parties believe that the upkeep of a supermarket is of high importance to deliver value and an experience to the customer. In fact, the notifying parties highlighted that individually, significant investment has been undertaken to enhance the customer's shopping experience and deliver better service.
44. Should the proposed concentration go ahead, in order to ensure that all retail outlets involved in this concentration deliver the same high-quality shopping experience, the notifying parties will be investing [REDACTED].
45. Presently, both the Valyou Group and Park Towers Group⁴ have an online system where customers can acquire their products online. [REDACTED].
46. Furthermore, the notifying parties have also stressed that this concentration would enable a number of investment projects which as individual undertakings they all wanted to undertake but which were impossible to finance and manage separately. Improved

² The notifying parties stated that this information is according to a news release issued by the Malta Chamber of Commerce, Enterprise and Industry on 13 June 2018. This can be accessed through the link hereunder:

<<https://www.maltachamber.org.mt/en/spar-to-open-23-stores-in-malta-including-two-hypermarkets>>
[Accessed on 20 March 2020]

³ The notifying parties stated that this information is according to a news release issued by the Maltatoday on 02 September 2019. This can be accessed through the link hereunder:

<https://www.maltatoday.com.mt/news/national/97193/italian_discount_giant_plans_12_stores#.XnTH84hKiUk>
[Accessed on 20 March 2020]

⁴ This might be outdated in light of the recent COVID-19 circumstances.

efficiencies, economies of scale and cost savings would facilitate improvements in the following areas:

- a. Price and improved competition [REDACTED].
 - b. Investment in quality management including professional management structures.
 - c. Investment in labour resources through training and improvements in IT systems.
 - d. Improved working environment for personnel and investment in higher health and safety standards.
 - e. Higher standards for employees, job creations and better financial packages.
47. Based on the above arguments, the notifying parties consider the proposed concentration to be pro-competitive and that it would result in substantial benefits to Maltese customers.
48. At the same time, the notifying parties highlighted that the concentration would result in a dynamic market-wide increase in rivalry. Given the highly competitive nature of the Maltese grocery retail market, the cost reductions would make the group more competitive and, in turn, generate pro-competitive responses from their rivals. The notifying parties stated that consumers would thus benefit not only directly from the improved offerings of the group but also from the resulting dynamic and market-wide increase in rivalry.

2.5 Third-Party Objections

49. The Office for Competition received one third-party objection to the concentration in terms of regulation 5(5) of the Control of Concentrations Regulations. The third-party noted that:

“...the proposed merger is going to drastically decrease competition and this because the joint venture will inevitably own a substantial percentage of the market. Needless to say that the proposed merger includes amongst others supermarket chains which already hold a number of retail outlets, leading to large players in the industry operating as one large company, putting smaller businesses such as myself in jeopardy.”

[Submissions by [REDACTED] dated 13 January 2020]

50. As a result, the third-party claimed that there would be lessening of competition in the grocery retail market leading to potential foreclosure effects. However, the Office opines that the objection falls short from explaining the reasons as to why this could be the case. Nevertheless, given that the above arguments form part of the fundamental reasons behind estimating concentration measures pre- and post-concentration, the Office opines that the competitive assessment adequately tests the objections put forward by this third-party.

2.6 Counterfactual

51. The Office assesses a concentration's impact relative to the situation that would prevail absent the concentration (i.e. the counterfactual). For proposed concentrations, the Office generally adopts the prevailing conditions of competition as the counterfactual against which to assess the impact of the concentration.

3. Literature Review

3.1 Overview of European Case Law

52. Retail continues to undergo constant disruption. Consumers remain powerful. Experiential shopping, shifting attitudes about shopping, redevelopment opportunities, the growing dominance of e-commerce, pop-up stores, off-price retailing and the need for supply chain improvements are major trends reshaping the retail industry. To remain competitive, retailers are facing the need to significantly change their business models to address the dynamicity of the grocery retail sector. Malta is not an exception to the above and the same trends observed in the EU are also being observed locally at a lag.
53. For this reason, mergers and acquisitions are increasingly becoming a popular means for improving the competitiveness of undertakings through attaining higher market shares, broadening the portfolio to reduce business risk, entering new markets and geographies, and capitalising on economies of scale. The consolidation and expansion of businesses through mergers and acquisitions have for long been an important phenomenon in the EU economy. In Malta, they have also become a matter of everyday occurrence. They are the subject of counting interest to different persons such as business executives who are looking for potential merger partners, investment bankers who manage the mergers, lawyers who advise the parties, regulatory authorities concerned with the operations of the stock market and growing corporate sectors in the economy and researchers who want to understand these concepts better.
54. The rest of this section highlights key mergers and acquisitions that have taken place in the grocery retail market in the EU over the past decade.
55. The British multinational Tesco PLC, looked to bolster their businesses by buying the UK's largest food wholesaler, Booker Group plc in 2017⁵. Despite the merger being viewed by several competitors to cause "*an enormous amount of pain*", the Competition and Markets Authority (CMA)'s investigation found that existing competition is sufficiently strong in both the wholesale and retail grocery sectors. It added that it was more likely that Booker Group would be able to negotiate better terms from a number of its suppliers for some of its groceries, and that it was likely to pass on some of the benefits of these savings to the shops that it supplies.
56. A similar course of action was adopted in the acquisition by Co-operative Group Ltd of Nisa Retail Ltd⁶, which the CMA also approved by adopting a frame of reference in line with previous decisional practice. This transaction was viewed to provide an environment in which independent retailers can flourish. The approval of such acquisition brought about enhanced buying capability, allowing Nisa Partners to trade their businesses in the way they choose. As a result of combined buying synergies, this acquisition brings the benefit of competitive prices and promotions for Nisa Partners and access to a deeper range and industry leading own brand proposition. Furthermore, the CMA concluded that with the approval of such acquisition, there would be no effect on barriers to entry or expansion, as the merger does not give rise to competition concerns on any basis - it is commonly accepted that vertical mergers could potentially increase competition and efficiency levels in the wholesale market, as well as reducing prices for shoppers.

⁵ CMA report on the anticipated acquisition by Tesco PLC of Booker Group Plc, 20 December 2017.

⁶ CMA report on the anticipated acquisition by Co-operative Group Ltd of Nisa Retail Ltd, 21 May 2018.

57. Another significant challenge that supermarkets all over the EU are now being faced with, is the industry shift brought about by the German discounters Aldi and Lidl. These hard discounters are exerting competitive pressures on full-range supermarkets to rethink their business models and look into innovative ways how they can compete on price by cutting their costs and limit the range of offered products to be able to remain in business⁷. As Duksaitė, E. & Tamošiūnienė, R. (2011)⁸ put forward in their paper, in attempt for entities to reshape their competitive advantage within their respective industries, they often resort to engaging in mergers and acquisitions to reap access to intangible assets, diversification, horizontal and vertical integration and so on. These arise from the primary company's motive to grow and survive.
58. British supermarkets J Sainsbury PLC and Asda Group Ltd tried to come together to create the UK's biggest supermarket chain⁹. Despite pledging to bring £1bn worth of price cuts, following an in-depth investigation, the concentration was viewed by the competition watchdog to be detrimental to UK shoppers and motorists.
59. In its in-depth investigation, the CMA addressed horizontal unilateral effects brought on by the Merger, for groceries, general merchandise and fuel markets. In other words, the CMA assessed whether the Merged entity could profitably increase prices, and/or worsen other aspects such as the quality, the range and the service it delivers to customers relative to the situation that would have existed absent the Merger (collectively, referred to these price and non-price factors as 'PQRS'). The consumer harm would arise as a result of the Merged entity acting unilaterally, i.e. independently of others in the market, and facing less competition than the prevailing market conditions without the Merger.
60. The CMA concluded that there is "*no effective way of addressing our concerns, other than to block the merger*" due to the extensive competition concerns raised which were expected to lead to price rises or a worsening of quality, range or service for customers at either a national level or at a local level.
61. Similar views were taken by the German Federal Cartel Office (FCO) in terms of the long-running saga of the acquisition of the supermarket chain Tengelmann by EDEKA¹⁰. The concentration aimed at Tengelmann seeking to offload its Kaiser's business to Edeka as Kaiser was too small to compete with Germany's leading food retailers such as Lidl, Aldi, Metro's Real hypermarkets, and Rewe.
62. The FCO follows a more data-based approach when assessing mergers and market power and for the case at hand, the FCO analysed with a huge body of data how the turnover generated by different supermarket formats (full range and discount) changed with the opening and closure of other outlets. In its investigation, the FCO argued that the takeover would have considerably worsened competitive conditions in highly concentrated regional markets and in municipal districts such as Berlin and Munich where Edeka's market share would surpass 10 per cent. The takeover of Kaiser's Tengelmann would have greatly limited the choice for local consumers and the possibilities for them to switch to another retailer. The elimination of an important competitor would also have given the remaining competitors greater leeway for raising prices in the future. Moreover, the FCO disclosed that the transaction would have also caused competition problems in the procurement markets. If the merger had been implemented, manufacturers of branded products would have lost an important independent buyer. The strong bargaining power of the leading group of retailers consisting of EDEKA, REWE and the Schwarz group with Kaufland and

⁷ Rice, X., 2019. The Aldi effect: how one discount supermarket transformed the way Britain shops. *The Guardian*.

⁸ Duksaitė, E., & Tamošiūnienė, R. (2011). Why Companies Decide to Participate in Mergers and Acquisition Transactions. *Mokslas - Lietuvos Ateitis*, 1(3), 21–25.

⁹ CMA report on the anticipated merger between J Sainsbury PLC and Asda Group Ltd, 9 July 2019.

¹⁰ B2 - 31/17 Examination under competition law following the withdrawal of appeals against the ministerial authorisation granted to EDEKA/Tengelmann, 16 November 2017.

- Lidl in the procurement of branded products would have further increased relative to that of their competitors.
63. Despite this verdict to prohibit the merger, the decision was overruled by the Federal Minister of Economic Affairs and Energy, as it was viewed that the negative effects of the merger on competition are outweighed by benefits to the economy as a whole - in this case the preservation of 16,000 jobs. Disregarding such non-competition issues the Higher Regional Court of Düsseldorf reversed the Minister's decision and blocked once again the takeover following appeals of competitors.
 64. On the other hand, the Italian Competition Authority (ICA) conditionally approved the acquisition of the seventh-largest grocery retailer, Auchan, by the largest Italian supermarket chain, Conad¹¹. The decision to embark on such acquisition came after the French chain suffered a €1.1 billion loss in the preceding financial year.
 65. By relying on the collective market shares of the merging parties combined with the measures of diversion ratios and GUPPI (Gross Upward Pricing Pressure Indicator), in its investigation, the ICA identified 33 problematic local markets for retailing of food and non-food products. The theory of competition harm employed by the ICA is that the implementation of the merger would bring about unilateral anticompetitive effects. To address these competition problems, Conad and the ICA agreed on the structural remedy of divestment of 29 outlets by an undisclosed deadline.
 66. The in-depth investigation revealed how an extensive definition of the relevant product markets for the retailing of food and non-food products was established. Alongside the segments of hypermarkets, supermarkets and convenience stores, these markets also include discount stores in light of the high degree of substitutability among them.
 67. What's more is that the relevant markets have a local geographic dimension. The relevant geographic markets of supermarkets and hypermarkets are determined by isochrones corresponding to 15 minutes travelling time by car from the outlets of Auchan. In the case of convenience stores, the isochrones are reduced to 10 minutes.
 68. To filter out the local markets where post-merger competition would not be softened, in addition to the market shares of the parties, the ICA also considered the quantitative measures of GUPPI and diversion ratios. With this analytical framework the ICA identified the problematic local markets in those ambits where the collective market shares of Conad and Auchan, the diversion ratios and the GUPPI exceeded the thresholds of 25%, 20% and 5%, respectively.
 69. The EU Commission plays a vital role in the way competition authorities operate in member states. Member states follow the EU's rules on competition, which are designed to ensure fair and equal conditions for businesses, while leaving space for innovation, unified standards, and the development of small businesses. The European Commission monitors and investigates anticompetitive practices, mergers and concentrations and state aid to ensure a level playing field for EU businesses, while guaranteeing choice and fair pricing for consumers. The EU Commission constantly looks at reshaping its way of thinking in order to enable the Single Market to deliver appropriate decisions. Hence decisions are taken accordingly at a national, regional and local level, in particular when dealing with such dynamic and competitive markets such as the grocery retail industry.
 70. A pivotal point of every concentration investigation is the definition of the market. Looking at concentration cases in the grocery market considered by the EU Commission, one can

¹¹ C12247B - BDC Italia-Conad/Auchan, 25 February 2020.

see significant developments when it comes to defining the relevant product market and the relevant geographical area.

71. In past decisions, the European Commission has found that, within the retail segment, a separate product market exists for the sale of daily consumer goods mainly carried out by retail outlets such as hypermarkets, supermarkets and discount chains (so-called '*modern distribution channels*'¹²). These retail outlets offer consumers a basket of fresh and dry foodstuffs and non-food household consumables sold in a supermarket environment. The European Commission considered these retail outlets to be active in different markets as opposed to other retailers, such as specialised outlets (butchers, bakers, etc.) and service stations, which have been excluded from the relevant product market definition in previous decisions¹³.
72. The Commission has in its practice also delineated the geographic market for the retail sale of daily consumer goods, according to demand-side considerations, by the boundaries of a territory where the outlets can be reached easily by consumers (radius of approximately 10 to 30 minutes driving time¹⁴). The delineation of each local area can only be undertaken on a case by case basis by considering specific local circumstances. It is also to be taken into consideration that competition between the main market players is often not limited to the local areas, in particular when the product assortment is determined on a national level or advertising is carried out nationwide¹⁵.
73. With EU households spending up to one-third of their budgets on goods distributed by retailers,¹⁶ it is with no doubt that through price, choice, service and quality of the products on offer, the retail sector has an impact on the quality of life of those living in the EU. The 3.6 million companies active in the retail sector (mainly SMEs) interact with other economic sectors such as wholesalers and product manufacturers as well as transportation and logistics and other business services. A better performing retail sector will as a result generate positive spill-over effects on the entire economy.

3.2 Theoretical Overview - Assessment of competitive effects

74. This section shall explain in general terms the theories of harm considered in such concentrations and how each of these theories of harm operates.

3.2.1 Outline of the theories of harm considered

¹² M.7224 – Koninklijke Ahold/Spar CZ, para. 9; M.5112 – Rewe/Plus Discount, para. 15; M.4590 – Rewe/Delvita, para. 9-14; M.2604 – ICA Ahold/Dansk Supermarked, para. 10, 11; M.4686 – Louis Delhaize/Magyar Hipermarket Kft., para. 8; M.3905 – TESCO/Carrefour, para. 10; M.5047 – REWE/Adeg, para. 24.

¹³ M.784 – Kesko/Tuko, para. 18-20, M.1221 - Rewe/Meinl, para. 10, M.5790 – Lidl/Plus Romania/Plus Bulgaria, para. 11-13.

¹⁴ M.1221 – Rewe/Meinl, par. 18, M.5047 – Rewe/Adeg, par 27, M.5176 – CVC/Schuitema, par 12, M.6506 – Groupe Auchan/Magyar Hipermarket, para. 13; M.6822 – Groupe Auchan/Real/Real Hypermarket Romania, para. 11; M.5790 – Lidl/Plus Romania/Plus Bulgaria, para. 14; M.5176 – CVC/Schuitema.

¹⁵ M.5134 – Spar/Plus Hungary – paras. 13, 14; M.2604 – ICA Ahold/Dansk Supermarked – para. 12; M.4590 – REWE/Delvita – para. 18; M.5047 – REWE/Adeg – para. 27; M.3905 – Tesco/Carrefour – para. 18; M.4686 – Louis Delhaize/Magyar Hipermarket Kft – para. 15.

¹⁶European Commission, 2018. A European Retail Sector Fit For The 21st Century. Brussels.

75. Theories of harm provide a framework for assessing the effects of a merger. A theory of harm describes the possible ways in which the changed structure of the market will provide the joint entity with the incentive and the ability to exercise market power in a way that will lead to an SLC. Furthermore, a theory of harm describes possible changes arising from the concentration and compares any impact on rivalry and expected harm to customers as compared to the situation pre-concentration.
76. The following theories of harm related to specific markets, which we have grouped into three categories, are usually prevalent in such concentrations:
- (a) In-store groceries:
 - I. Horizontal unilateral effects at both the national and the local level.
 - II. Coordinated effects.
 - (b) Online delivered groceries:
 - I. Horizontal unilateral effects at both the national and the local level.
 - II. Coordinated effects.
 - (c) Buyer power theories of harm, including both the effect on innovation and the effect on rivals' purchasing costs.
77. The above theories of harm look into how consumer detriment may occur following the concentration, due to the Parties operating in the same industry and at the same level of the supply chain.
78. Usually, a method whereby it examines how the concentration would possibly lead to the Parties raising prices or worsening non-price aspects of their sales such as quality, range or service (together referred to as price and non-price factors as 'PQRS') relative to the concentration not taking place is adopted. The term 'worsening' means that one looks at a scenario where if the concentration does not take place, the parties would still improve certain aspects of PQRS as a result of the existing competition forces in the market. However, if the concentration takes place, given a lessening of competition, the Parties will end up not improving price and non-price factors of their sales such that overall the concentration results in a degradation compared to what would have happened otherwise.
79. In either case, the assessment involves investigating whether this deterioration would apply to elements of PQRS that are set centrally and applied uniformly across the Parties' stores, such that all of the Parties' stores would be affected (national assessment) or to elements of PQRS that are varied across local areas, such that only certain specific Parties' stores would be affected (local assessment).

3.2.2 Approach to assessing theories of harm

Horizontal unilateral effects theories of harm

80. Horizontal unilateral effects are likely to arise when a concentration between two competing firms eliminates a rival in the market. As a result, it may increase the notifying firm's incentive to raise prices, lower quality, reduce the range of their services and/or reduce innovation (relative to the situation that would have existed absent the merger). Such phenomenon takes place even if the firm's remaining rivals do not change their conduct, as it is now less costly for the joint entity to increase its prices. These are referred to as horizontal unilateral effects.

81. The basic concept behind unilateral effects is that prior to two firms joining forces; firms A and B, if firm A raised its prices, it would lose customers to other firms in the market, including to firm B. The fear of losing those customers and suffering lower profits limited firm A's incentive to increase its prices. After the concentration, however, firm A has different pricing incentives. This is because the customers that switched to firm B when firm A raised its prices are now effectively recaptured because they are still purchasing from the joint entity. This recapture of diverted customers makes a price increase more likely to be profitable. The greater the number of sales diverted from firm A to firm B, the greater the recapture and the more profitable price increases are likely to be. This is the essence as to why a concentration creates incentives for the notifying firm to unilaterally increase prices (or lower quality, range or service). Furthermore, the remaining competitors may also follow suit in increasing their prices or otherwise worsen their offering (known as '*second order effects*') in response to a change in the structure of the market caused by the concentration. This would without any doubt result in further harm to consumers.
82. Evaluation of these horizontal theories of harm involves assessing how significant a competitor of one of the merging parties is to the other, or was likely to become in the foreseeable future, relative to other competitive constraints in the market; and whether the removal of that constraint is likely to lead to an SLC, and thus undesirable outcomes for consumers.

Coordinated effects theories of harm

83. The concept of coordinated effects refers to the fact that after the concentration takes place, it becomes more probable for the firms involved in the concentration (at least an important subset of) and their rivals to increase their market power by coordinating their actions, as they come to see that they are mutually interdependent. In other words, the term "*coordinated effects*" indicates the higher likelihood that after the concentration, the main firms in the market will reach a collusive outcome or - if collusion was already taking place - would strengthen such an outcome, for instance by managing to reach higher collusive prices, or by making collusion more stable.
84. Coordination can be either explicit or tacit. Explicit coordination is achieved through communication and agreement between the parties involved. Tacit coordination is achieved through implicit understanding between the parties involved, but without any formal arrangements or direct communications.
85. Coordinated effects occur when a concentration makes coordination more likely or more effective. This behaviour does not require any direct contact between firms and can arise purely from firms' perception of the interdependence between them. The focus is not on any explicit or illegal agreement to coordinate between grocery retailers but rather on whether the concentration could make it easier for grocery retailers to coordinate or align their behaviour in a way which limits the rivalry between them without entering into any express agreement or direct communication.

Buyer power theory of harm

86. Buyer power refers to an equivalent measure of negotiations strength that downstream players may enjoy if there are sufficiently few downstream players in a market. The presence of buyer power may serve to counter the exercise of pricing power by suppliers, and thereby mitigate unilateral price rises that may otherwise occur following a concentration.
87. For the purposes of competitive assessments, concerns arise only if an increase in the buyer power of the merged entity distorts competition in relation to the supply of groceries

and thus results in adverse effects on end-consumers. In and of itself, a reduction in the profitability of suppliers does not give rise to an SLC.

88. In such concentrations, there are two theories of harm which are usually considered in this aspect:

- a. the exercise of increased buyer power by the notifying parties might result in reduced incentives to invest and innovate on the part of suppliers; and
- b. the exercise of increased buyer power by the notifying parties might raise the purchasing costs of rival grocery retailers, which, under certain circumstances, may result in price increases to certain end-customers of those retailers.

4. Overview of the Maltese Retail Grocery Sector

89. The food retail industry covers a broad range of stores and outlets involved in the selling of products to consumers. In Malta, the modern retail trade channel includes supermarkets, discount shops, grocery and convenience stores, online stores and independent food specialist stores (butchers, vegetable hawkers) that are either independent businesses or parts of larger networks.
90. The core business activity of the notifying parties is the sale of groceries. For the purposes of this decision, this is understood to include food and beverages sold by grocery retailers, as well as toiletries, cleaning products and similar items.¹⁷ Based on annual turnover figures for 2018, all four parties are among the [] in Malta and two of them, Valyou and ParkTowers, are among the largest []. Alongside core groceries, the notifying parties also sell items such as electronic equipment, clothing and personal care items which together constitute around [] of their total turnover.

4.1 Importance of Grocery Retailing

91. Grocery retailing is a critical industry both because of its significant size, as well as the provision of essential items to Maltese households. Generally, the retail outlets within this sector do not manufacture or produce goods although in some cases they slightly modify products, e.g. in-store preparation of meat, cooking, baking, retail packaging of salads, etc.
92. Based on data published by the National Statistics Office (NSO), in 2018 Maltese households spent around €752 million on food and non-alcoholic beverages. The figure exceeds €1 billion if alcoholic beverages and tobacco are also taken into account.
93. The latest available figures also show that expenditure on food and non-alcoholic beverages accounts for circa 20% of Maltese households' total expenditure. This is the largest proportion of the households' consumption basket and is equivalent to €85 per household per week. However, for some households, the share of expenditure on food and non-alcoholic beverages is much higher. For example, in the case of one- and two-person households with at least one adult being 65 years or older, it accounts for as much as 27%. Thus, any changes in the degree of competition in the market for groceries will have a significant impact on Maltese households, particularly those with older members.

4.2 Grocery Retail Channels

94. In general, the following terminology in the food retail industry is accepted to distinguish between different types of food retailers:¹⁸
- a. **Hypermarkets:** a store with a sales area of over 2,500 square meters with at least 35% of selling space devoted to non-food items. Sometimes, hypermarkets are also called "superstores", a combination of a supermarket and a department store. Hypermarkets are usually located in suburbs due to the limited space availability in city centres and the need for large parking areas for shoppers. Sometimes, hypermarkets are located close to residential areas and can be adjacent to

¹⁷ Food sold at restaurants, cafes and take-outs is excluded from the definition of 'core groceries' adopted in this decision.

¹⁸ FAO Investment Centre Division (2009). Agribusiness Handbook – Food Retail Industry.

shopping centres that sell consumer electronics, furniture, durable and leisure goods, etc.

- b. Supermarket:** a store with a sales area of typically 400 to 2,500 square meters with at least 70% of its selling space dedicated to food products.
- c. Discounters:** stores that typically have a sales area of 300–900 square meters, have less than 1,000 product lines (predominantly packaged food and non-food products) and sell products at prices lower than those of traditional retail stores. Goods in discount stores usually have own-label or budget brands. Aldi, Lidl, Netto, and Eda are well-known examples of this type of retail outlet.
- d. Convenience Stores:** these stores sell a wide range of goods and have extended open hours. A convenience store is often located alongside busy roads or near gas stations, railway stations or in densely populated urban areas. Product selection is limited compared with supermarkets and, in many stores, only one or two choices are available for each type of product. Prices in convenience stores are typically higher than in supermarkets.
- e. Independent Grocers:** these do not belong to chain stores, have sales space of less than 400 square meters and usually specialise in packaged groceries. Food accounts for at least 50% of total retail sales. Sometimes, independent grocers specialise in one type of product, e.g. meat.
- f. Free-standing food specialist:** such as butchers and bakers are often independent and are usually considered traditional retailers. Often, these retailers operate on open markets or have free-standing retail sales points.

95. While the above terminology applies for the majority of countries, in Malta, the channels through which the grocery retail industry reaches its customers is more limited and to a certain extent, distinctions are more obscured.

96. According to submissions made by the Notifying Parties, in general the Maltese market is characterized by the presence of two main types of retail grocery stores, namely (a) the supermarket (including convenience stores) and (b) the local village grocer. This classification was made according to:

- a. size, with supermarkets and convenience stores in Malta generally having an area in excess of 200 square meters; and
- b. product range, with supermarkets and convenience stores having a broader selection of products to offer when compared to the smaller local village grocery stores.

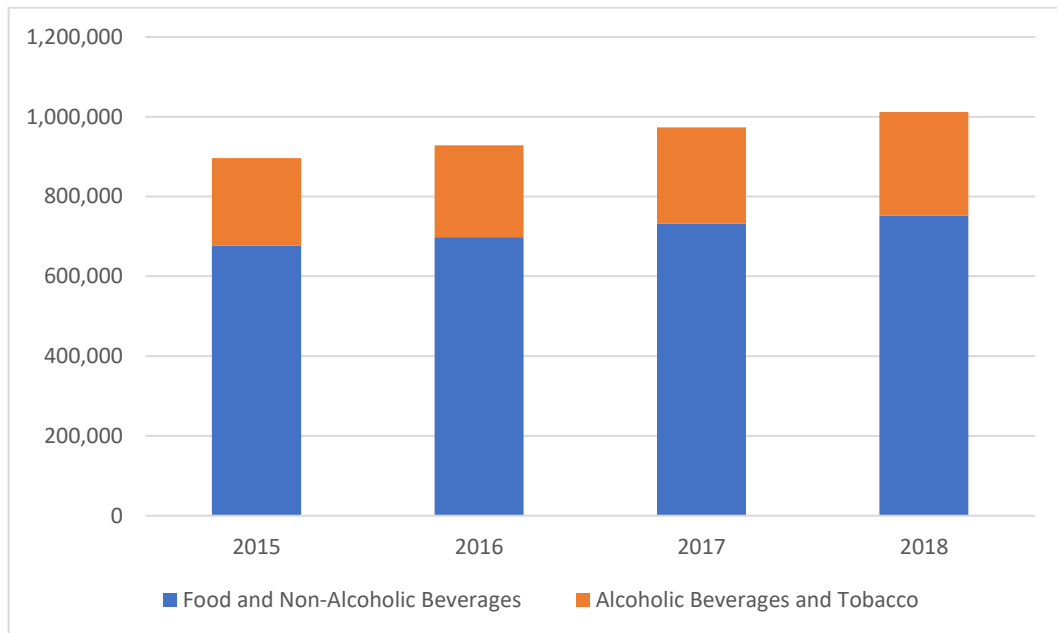
97. The Notifying Parties submitted that the European distinction between mid-size stores and convenience stores is very much lost in Malta. As such, these two categories realistically merge into one and the same category of retail grocery store (i.e. supermarket). Supplementing these arguments, the Notifying Parties have also submitted that supermarkets and convenience stores in Malta offer a similar range of products which can be broadly categorized into: (i) food; (ii) beverages (both alcoholic and non-alcoholic); and (iii) personal care and household products. Although the larger stores offer larger quantities and a broader range of products, it may be reasonably noted that grocery stores in Malta offer the aforementioned product categories which, in turn, is an indicator of a high level of substitutability.

98. Although these arguments will be discussed in more detail in Chapter 5, however, the Office opines that while it agrees with the Notifying Parties regarding the threshold of 200 square meters as a means to define grocery stores according to the size of the sales area, however, the Office feels that there other attributes which customers look for when making their grocery shopping decisions such as for example prices of different products, convenience, quality of products, etc. These are important demand-side factors which the Office must consider when evaluating the closeness of competition between grocery stores.
99. Based on the above, the Office distinguishes between five channels: supermarkets, discounters, convenience stores, independent grocers and free-standing food specialist. The above channels could be further subdivided between in-store and online delivered groceries although it is worth mentioning that the latter became much more prevalent with the onset of COVID-19.
100. In Malta, the largest sales are generated by 'supermarkets' and 'discounters' which are here defined as self-service grocery stores that are larger than 200 square meters and offer a wider selection of products than the typical village grocery and/or convenience store. According to data collected by the Office for Competition, in 2018 supermarkets and discounters with a sales area in excess of 200 square meters are estimated to have generated nearly [x] through [x] stores. 'Discounters' (such as LIDL), which are often analysed separately by industry experts because they typically sell at prices that are lower than those charged by the traditional supermarkets, are estimated to have accounted for more than [x] of the total turnover generated by this channel. According to the same data collected by the Office, a small proportion of these sales, circa [x], were generated via 'online' sales which is only provided by [x] out of [x] retailers. It is noteworthy that the data was collected before the onset of the COVID-19. Today, one would expect the portion of 'online' sales to have grown exponentially.
101. 'Convenience stores', independent grocers' and 'free-standing food specialists', here understood to include grocery stores that are smaller than 200 square meters and that sell a range of groceries, are estimated to generate another [x] million of grocery sales. A number of convenience stores are owned by companies that own *several* convenience stores around Malta and Gozo (such as 'Maypole' and 'The Convenience Shop') while the other channels are non-affiliated independents (such as the corner grocery store or minimarket).
102. Whilst this categorisation of channels is broadly in line with that adopted in expert reports on the grocery retail sector, the Office does not consider this categorization as a determinant of the boundaries of the relevant market. For example, LIDL (a heavy discounter) is considered to provide a competitive constraint on the notifying parties even if it belongs to a different channel category. Nonetheless, we continue to refer to LIDL as a discounter in view of its differential offering and the common use of the term in the industry.
103. This is important because the different channels cater for different consumer needs. For example, convenience stores are often in locations that minimise time and distance from the consumer, while the larger supermarkets are often located on village outskirts but offer a much wider range of grocery products and other household goods. Similar distinguishing characteristics can be identified for other channels; with discounters appealing to more price-sensitive consumers, and online groceries catering for the most time-conscious and less mobile consumers.

4.3 Key trends

104. Over a span of four years, the sale of food and beverages from retail groceries increased by more than 13.3% to €752.2 million. As noted above, this figure increases to over €1 billion if alcoholic beverages and tobacco are also taken into consideration (see Chart 1). These developments were largely driven by the demands of a fast-growing population, but also reflect an increase in per capita expenditure on core groceries. Indicative estimates show that the average expenditure per person per week increased from €39.2 in 2015 to €40.9 in 2018.

Chart 1: Core Grocery Sales (€000s)



Source: National Statistics Office; NSO & Eurostat (034/2020)

105. Over the past 10-15 years, the sector also experienced several significant developments. In 2008, the grocery sector saw the entry of a hard discounter, LIDL. Several newspaper reports suggest that it has become the most popular grocery retail store with Maltese consumers.¹⁹ [🔗].

106. As recently as September 2019, it was reported that Eurospin, a heavy discounter with over 1,000 stores in Italy and 60 in Slovenia, is about to open five stores in Malta, with plans to increase them to twelve in the medium-to-long term.²⁰ However, at the time of publication of this decision, Eurospin has not yet opened any stores in Malta.

¹⁹ See MaltaToday article published on 15 September 2016 titled 'MaltaToday Survey | Lidl is Malta's most popular supermarket' available at https://www.maltatoday.com.mt/news/data_and_surveys/69499/maltatoday_survey_lidl_is_maltas_most_popular_super_market

²⁰ See MaltaToday article published on 2 September 2019 titled 'Italian discount giant Eurospin plans 12 stores in Malta' available at https://www.maltatoday.com.mt/news/national/97193/italian_discount_giant_plans_12_stores

107. In June 2018, it was also reported that SPAR International, one of the world's largest food retail grocery chains, is planning to open 23 stores in Malta, including two hypermarkets.²¹ The latter are large-format stores with a sales area that exceeds 5,500 square meters, that sell a full range of grocery items and a substantial non-food range. By the time of publication of this decision, SPAR has opened three stores – a supermarket and two convenience stores.
108. Although non-affiliated independent stores have had a hard time keeping up with the fast growth of the above-mentioned entrants and the larger incumbent, two grocery retailers have significantly increased their sales by opening up a number of convenience stores. The largest player in this sub-sector is 'The Convenience Shop' which already has 68 stores located all over the island, and its intent is to increase the number to 100 by 2027.²² Its closest competitor is Maypole which has 24 stores and operates using a similar concept but with a seemingly less aggressive growth model.
109. Until recently, the online channel was not particularly popular among Maltese households. However, the developments that were initiated by the spread of the COVID-19 epidemic have led many Maltese to get accustomed to the idea of having their groceries delivered to their door. This may have a permanent effect on the shopping habits of Maltese households and may increase the frequency with which customers choose to shop online rather than in-store following the recovery from the economic slowdown that resulted from the epidemic.

4.4 Grocery retailers

110. Unlike many grocery retailers operating in other countries, the majority of retailers serving the Maltese market do not operate large national chains. Consequently, they do not enjoy the economies of scale that result from having large vehicle fleets, logistics centres, sophisticated IT systems and similar infrastructure that yield significant benefits to many international grocery retailers. In fact, the majority of supermarkets operating in Malta only operate one retail store; and most have not (until recently) been selling groceries online.
111. The largest grocery retailer is [REDACTED] – it accounts for [REDACTED] of total revenues earned in the retail grocery sector in Malta. At [REDACTED] of the sector's total revenue, [REDACTED] supermarkets have the second-largest share. All other grocery retailers individually account for less than [REDACTED] (see Chart 2). We provide a brief overview of the largest retailers, but we elaborate on their pricing and other competitive parameters in chapter 5 of this report.

²¹ See MaltaToday article published on 13 June 2018 titled 'SPAR food chain plans 23 Malta stores including two hypermarkets' available at https://www.maltatoday.com.mt/business/business_news/87537/spar_food_chain_plans_23_malta_stores_including_two_hypermarkets, and Times of Malta article published on 13 June 2018 titled 'SPAR sets up shop in Malta with plans for 23 stores in eight years' available at <https://timesofmalta.com/articles/view/spar-sets-up-shop-in-malta-with-plans-for-23-stores-in-eight-years.681635>

²² See MaltaToday article published on 15 March 2019 titled 'Convenience Shop franchise aims for 100 stores by 2027' available at https://www.maltatoday.com.mt/business/business_news/93540/convenience_shop_franchise_aims_for_100_stores_by_2027

Lidl

112. In 2018, Lidl operated through eight (including one in Gozo) outlets in various locations that together had a sales area of around [] square meters. Although it offers a smaller range of products than incumbent supermarkets, its offering has made it a popular choice among many Maltese households. In addition, to the core groceries, it offers a range of non-food items that have also proven popular. However, unlike some of the larger incumbents, it does not sell its products online.

Pama/Pavi

113. As noted above, on the basis of revenue, Pama/Pavi is the [] grocery retailer in Malta. The sales area of circa. [] square meters is large by the local sector's standards, but it operates through only two stores. Both stores have adequate car park facilities, and, unlike many other local grocery stores, the two supermarkets are surrounded by many non-food and catering outlets. Like Lidl, it also offers non-food household items, but it offers a broader range of food products.

Scotts

114. Scotts accounts for [] of the total retail grocery sector's revenues. It has a business model that differs substantially from that of its competitors – in 2018, it operated through eight stores (currently, it is operating through seven outlets as the outlet in Spinola was closed) – second only to retailers operating through convenience stores (such as The Convenience Shop and Maypole). The eight outlets have a total sales area exceeding [] square meters and sell a large range of products.

Smart Supermarket

115. Smart Supermarket operates through one large outlet with a sales area of [] square meters. It offers a relatively wide range of products, including a range of non-food items which account for around [] of its revenues. At [] of the retail grocery sector's total revenue, Smart Supermarket has the [] market share.

Greens Supermarket

116. Greens Supermarket operates through two stores, but only one is in Malta. It has a sales area of [] square meters and sells both food and non-food items (with the former accounting for around [] of its total revenue). In 2018 it accounted for [] of the retail grocery sector's total revenue, making it the [] operator in the sector.

Chain Supermarket

117. In many ways, Chain Supermarket is similar to Scotts. It operates through four stores that together have a sales area of around [] square meters. It offers a large range of products; and in 2018 it accounted for [] of the Maltese retail grocery sector's total revenues.

Chart 2: Share in Total Retail Grocery Sector Revenue for Outlets with Sales Area exceeding 200 square meters (%)

[]

Source: National Statistics Office; NSO & Eurostat (034/2020); Office's Calculations; Information from the RFIs.

Retail Marketing Limited

118. Retail Marketing Limited would be the merged entity that brings together the notifying parties if the concentration materialises. It would include the supermarkets of Valyou, the supermarkets of Park Towers, Tower Supermarket, Lasco Supermarket and Trolees Supermarket. Valyou is the largest of the notifying parties. It accounts for [X] of the sector's total revenue; and operates via four supermarkets that together have a sales area of around [X] square meters from which they sell a range of products, including several non-food items. ParkTowers is the [X] of the notifying parties. It owns three supermarkets which together have a sales area of [X] square meters and also offers a wide range of products. Lasco and Trolees are smaller, each operating through one store, and together account for [X] of the sector's total revenue. Like the other notifying parties, they offer a wide range of groceries and a small number of non-food products.

5. Market Definition – Delineating the Relevant Market

5.1 Introduction

119. The purpose of market definition is to provide a framework for our analysis of the competitive effects of the concentration. The relevant markets are the markets within which the concentration may give rise to an SLC and contains the most significant competitive alternatives available to the customers of the notifying parties. Defining relevant markets is therefore useful in identifying, in a systematic way, the immediate competitive constraints facing the parties in the concentration.
120. Market definition is a useful analytical tool, but not an end in itself, and identifying the relevant market involves an element of judgment and does not prevent us from taking into account constraints outside the relevant markets in our competitive assessment.
121. Market definition is the starting point for our analysis of the competitive effects of the concentration. In fact, subsequent sections of this decision outlines the relevant product and geographic markets. We examine demand-side, supply-side and potential competitive substitutability and also, where appropriate, whether markets can be segmented.
122. Given the theories of harm that have been considered in this decision, the Office has investigated the market definition in relation to the retail supply of groceries in-store and also dedicated a specific section on the retail supply of online delivered groceries.

5.2 Legal and Economic Background for Defining the Relevant Markets

123. The concept of the relevant market implies the existence of effective competition between the products forming part of it, which “...presupposes that there is sufficient degree of interchangeability between all the products forming part of the same market in so far as a specific use of such products is concerned.”²³
124. Regulation 2 of the Control of Concentrations Regulations defines the relevant market as “...the market for the products or services whether within Malta or limited to any particular area or locality within Malta or outside Malta, and whether or not restricted to a particular period of time or season of the year.”²⁴
125. Market definition typically contains two dimensions: a product and a geographic area. As is stipulated in the EC’s Notice on market definition, “...The main purpose of market definition is to identify in a systematic way the competitive constraints that the undertakings involved face. The objective of defining a market in both its product and geographic dimension is to identify those actual competitors of the undertakings involved that are capable of constraining those undertakings’ behaviour and of preventing them from behaving independently of effective competitive pressure.”²⁵

²³ Case 85/76 Hoffman-La Roche & Co. v Commission of the European Communities. Judgment of the Court of 13 February 1979, paragraph 28.

²⁴ Control of Concentrations Regulations, Subsidiary Legislation 379.08 of the Laws of Malta, Regulation 2.

²⁵ See Commission Notice on the definition of the relevant market for the purposes of Community competition law (97/C 372/03), paragraph 2.

126. The concept of the relevant market implies that there can be effective competition between the products which form part of it. In fact, the EC's Notice on market definition states that, "*a relevant product market comprises all those products and/or services which are regarded as interchangeable or substitutable by the consumer, by reason of the products' characteristics, their prices and their intended use*".²⁶ As such, the key question when assessing the relevant market for the grocery retail market is where to draw the boundary line beyond which supermarkets and grocery stores with specific characteristics are not regarded to be in the same relevant product market as that for the notifying parties.
127. The relevant product market '*is to be defined by reference to the facts in any given case, taking into account the whole economic context*'.²⁷ The economic context that may be taken into account includes, but is not limited to: (i) the objective characteristics of the grocery retail outlets; (ii) the degree of substitutability or interchangeability between grocery retail outlets; (iii) the competitive conditions; (iv) the structure of supply and demand; and (v) the attitudes of consumers.²⁸ The factors are not, however, fixed or exhaustive and each will depend on its own facts.²⁹
128. The process of defining a market typically begins by establishing the closest substitutes and rivals to the notifying parties. As is stated in the EC's Notice on market definition, based on preliminary information available or information submitted by the parties involved, the Office will usually be in a position to broadly establish the possible relevant markets within which for instance, a restriction of competition has to be assessed. "*In general, and for all practical purposes when handling individual cases, the question will usually be to decide on a few alternative possible relevant markets. For instance, with respect to the product market, the issue will often be to establish whether product A and product B belong or do not belong to the same product market*".³⁰
129. The process of gathering evidence on the relevant market usually involves the Office contacting the main customers and the main undertakings in the industry to enquire into their views about the boundaries of products and geographic markets and to obtain the necessary factual evidence to reach a conclusion. The Office might also contact the relevant professional associations, and companies active in upstream markets, so as to be able to define, in so far as necessary, separate product and geographic markets, for different levels of production or distribution of the products/services in question.³¹
130. Where appropriate, the Office will address written requests for information to the market players mentioned above. These requests will amongst others include questions relating to their views of the boundaries of the relevant market. They will also ask for the provision of the factual information the Office deems necessary to reach a conclusion on the extent of the relevant market.³²
131. The EC's Notice on market definition explicates that firms are subject to three core competitive constraints: demand substitutability, supply substitutability and potential competition. "*From an economic point of view, for the definition of the relevant market, demand substitution constitutes the most immediate and effective disciplinary force on the*

²⁶ Ibid, paragraph 7.

²⁷ Aberdeen Journals I, [101], cited in Case CE/9742-13 Unfair pricing in respect of the supply of phenytoin sodium capsules in the UK, December 2016.

²⁸ Ibid.

²⁹ Aberdeen Journals v Director General of Fair Trading (1005/1/1/01). Competition Appeal Tribunal, [2002] CAT 4 [2002] Comp.A.R. 167, paragraph 97.

³⁰ Commission Notice on the definition of the relevant market for the purposes of Community competition law (97/C 372/03), paragraph 26.

³¹ Ibid, paragraph 33.

³² Ibid, paragraph 34.

*suppliers of a given product, in particular in relation to their pricing decisions.*³³ Demand substitution constitutes customers switching some or their entire purchases from the focal product i.e. grocery retail outlets of the notifying parties to other substitute grocery retail outlets. Indeed, *“the exercise of market definition consists of identifying the effective alternative sources of supply for the customers of the undertakings involved, in terms both of products/services and of geographic location of suppliers”*.³⁴

132. The boundaries of the relevant product market are generally determined by reference to demand-side substitution alone.³⁵ In fact, the Office considers supply substitutability to be limited within this context.

133. The third source of competition constraint is potential competition. However, potential competition is not analysed at the stage of market definition but is examined at a later stage in the context of competitive assessment.

5.3 Approach adopted by the Office for defining the relevant markets

134. As highlighted above, evidence of how an undertaking sees the market is likely to be *“particularly significant”* and depending on the particular circumstances, it may be of *“decisive importance”*.³⁶

135. As is stipulated in the EC’s Notice on market definition³⁷, the relevant geographic market consists of both national and local aspects.

136. In delineating the relevant market, the Office relied on three important sources of information. These are: (i) requests for information to the market players asking their views of the boundaries of the relevant market, (ii) evidence from recent local and foreign case law and market studies on the subject that offer actual examples of product and geographic substitutability including the views of competitors, and (iii) survey aimed at eliciting the views and preferences of customers on the boundaries of the product and geographic market. The latter source is also used to produce information on the barriers and costs associated with switching demand to potential substitutes.

137. The Office conducted a representative survey of grocery shoppers covering in-store groceries and two waves of Request for Information (RFI), covering all retail grocery outlets in Malta.

- a. **Demand-side:** The need for customer data is due to three main reasons: (i) to properly define and delineate the grocery market in Malta, (ii) to ascertain that the competitive assessment reflects the local context rather than simply relying on European case law; the Office felt the need to ascertain that the demand-side characteristics upon which the Office base its competitive assessment truly reflect the local context by a tailor-made methodology designed to elicit consumer behaviour and perception in the Maltese grocery retail market and, (iii) to ensure

³³ Commission Notice on the definition of the relevant market for the purposes of Community competition law (97/C 372/03), paragraph 13.

³⁴ Ibid.

³⁵ Office of Fair Trading. Merger Assessment Guidelines, September 2010. Joint Publication of the Competition Commission and the Office of Fair Trading, paragraph 5.2.17.

³⁶ Aberdeen Journals v Director General of Fair Trading (1005/1/1/01). Competition Appeal Tribunal, [2002] CAT 4 [2002] Comp.A.R. 167, paragraphs 103 and 104.

³⁷ See Commission Notice on the definition of the relevant market for the purposes of Community competition law (97/C 372/03), paragraph 2.

that the decision taken by the Office in its competitive assessment is backed by market data rather than based on elements of subjectivity. Fieldwork was undertaken in February by means of computer-assisted telephone interviews and was carried out by an independent firm.

- b. Supply-Side: First Wave - The Office gathered preliminary data through an RFI sent to the main supermarkets in Malta. In the same correspondence, the Office invited the stakeholders to submit any written objections which they may have on the proposed concentration. There was only one third-party who argued that this concentration would lead to the lessening of competition within this sector. Such claims were investigated and were taken into account in the assessment of the Office.
- c. Supply-Side: Second Wave - The Office compiled a database of all supermarket chains and grocery retail outlets operating in Malta and sent a detailed RFI to each undertaking. This process took approximately 6 weeks to complete and involved contacting nearly 400 different supermarket chains and grocery retail outlets. This RFI covered questions related to turnover, sales area, average spending per customer visit, percentage of sales related to food and beverages, price, range, quality, service and potential future investments.

138. All gathered data from the demand-side and the supply-side were analysed accordingly. Such analysis formed the foundations for the Office's definition of the relevant markets and the competitive assessment conducted in this concentration.

139. Based on the above information, the Office made a distinction between categories of retail grocery stores on the basis of size (i.e. sales area). The Office opines that the grocery retail market in Malta is characterized by the presence of two main types of retail grocery stores, namely (i) supermarkets and discounters, and (ii) convenience and local village grocery stores. In fact, the main distinguishing features between these types of retail grocery stores in Malta are:

- (a) size, with supermarkets and discounters generally having an area in excess of 200 square meters; and
- (b) product range, with supermarkets and discounters having a broader selection of products to offer when compared to the smaller local stores.

140. Given that the proposed concentration includes horizontal overlaps in the 'supermarkets and discounters' category, the Office focused its attention on this category. Following the delineation of the relevant markets, the Office resorted to market shares and measures of concentration (number of firms and the Herfindahl-Hirschman Index (HHI)) to assess the competitive effects of the proposed concentration.

141. The following section aims to discuss and present the information derived from each source on an individual basis. Box A presents the results of the survey conducted with the demand-side of the market while Box B presents the key insights from the data collected by the Office through the RFIs sent to the supermarkets and grocery outlets in Malta. The Office refers to the European case law highlighted in Chapter 3 when delineating the relevant markets in this chapter.

Box A: Eliciting Consumer Behaviour and Perceptions in the Maltese Grocery Retail Market

Survey Results

Survey Instrument and Sample

Data for eliciting consumer behaviour and perception in the Maltese grocery retail market was collected by means of a population-based survey (Appendix A). Besides basic socio-demographic data, the survey included five broad sections, namely: (i) supermarket shopping criteria; (ii) supermarket choice; (iii) supermarket shopping habits; (iv) supermarket shopping preferences; and, (v) controls. Computer-assisted telephone interviewing (CATI) (by 13 interviewers) on individuals aged over 18 years residing in private households and responsible for their own grocery shopping took place between the first and the third week of February. Early terminations were not included in the final dataset to ensure consistency and limit missing data. In line with requirements from the Data Protection Commission, the dataset was duly anonymised, and case was given a unique code. The data set was then checked for input errors. Fieldwork was conducted by M. Fsadni and Associates.

The sample data consists of 406 grocery shoppers. Prior to kicking off the fieldwork, the Office and the contractor produced quotas which are representative of the Maltese population by age, gender, geographical region (excluding Gozo) and employment status (NSO Demographic Review 2014). The achieved quotas by age, gender and geographical region (excluding Gozo) are illustrated in exhibit 1.

Exhibit 1: The sample achieved at close of fieldwork by Age, Gender & Geographical Region

	Southern Harbour			Northern Harbour			South Eastern			Western			Northern			Total	
	M	F	Tot	M	F	Tot	M	F	Tot	M	F	Tot	M	F	Tot	M	F
18-29	7	6	13	16	6	22	10	5	15	2	8	10	5	5	10	40	30
30-39	5	7	12	13	8	21	5	7	12	5	6	11	5	6	11	33	34
40-49	0	11	11	8	8	16	5	6	11	4	7	11	5	7	12	22	39
50-59	2	10	12	11	9	20	4	6	10	3	6	9	5	7	12	25	38
60+	9	17	26	16	25	41	8	9	17	6	8	14	8	5	13	47	64
	23	51	74	64	56	120	32	33	65	20	35	55	28	30	58	167	205

Geographical region, Sex, Age and Employment status serve as the main independent variables upon which the sample is tested in terms of representativeness of the Maltese population and all of these return highly satisfactory similarity rates as illustrated in exhibits 2-5.

Exhibit 2: Statistical significance by Geographical Region at a 95% confidence interval

	Geographical Region (n=372)		
	Population	Sample Size	Margin of Error
Southern Harbour	67265	74	+/- 11.39
Northern Harbour	105225	120	+/- 8.94
South Eastern	54096	65	+/- 12.15
Western	48582	55	+/- 13.21
Northern	53041	58	+/- 12.86
	328290	372	+/- 5.08

Exhibit 3: Statistical significance by Gender at a 95% confidence interval

	Gender (n=372)		
	Population	Sample Size	Margin of Error
Male	162425	167	+/- 7.58
Female	165784	205	+/- 6.84
	328290	372	+/- 5.08

Exhibit 4: Statistical significance by Age Group at a 95% confidence interval

	Age Group (n=372)		
	Population	Sample Size	Margin of Error
18-29	67102	70	+/- 11.71
30-39	58017	67	+/- 11.97
40-49	48816	61	+/- 12.54
50-59	54742	63	+/- 12.34
60+	99532	111	+/- 9.3
	328290	372	+/- 5.08

Exhibit 5: Statistical significance by Employment Status at a 95% confidence interval

	Employment Status (n=372)		
	Population	Sample Size	Margin of Error
Employed	255297	196	+/- 7.0
Unemployed	8879	1	
Inactive	163547	175	+/- 7.4
	427723	372	+/- 5.08

The research findings being presented in this study ensure a statistical significance of a high +/- 5.08 confidence level (margin of error) at a 95% confidence interval.

Findings

I. Who are the Respondents? – Key Characteristics

- a. **Nationality:** 92% of the sample (or 372 grocery shoppers) is composed of Maltese individuals, while the remaining 8% (or 34 grocery shoppers) are foreign individuals. 41.2% of foreign individuals have been living in Malta for more than five years, while 35.3% have been living in Malta for more than a year but less than five years. 20.6% of foreign individuals reported that they have been living in Malta for less than one year. The majority of foreign individuals who have been living in Malta for less than five years are planning to stay in Malta for the next five years.
- b. **Gender:** A higher proportion of females are responsible for doing grocery shopping when compared to male respondents; the number of female respondents for this study is 10% higher than the number of male respondents.
- c. **Age:** Nearly one-third of the respondents reported their age to be equal to or greater than 60 years old. Nearly 20% reported their age to fall in the 18-29 years age bracket while another 20% reported their age to be within the 30-39 years age bracket. The remaining respondents are evenly split between the 40-49 and 50-59 age brackets. These percentages are broadly in line with the NSO Demographic Review 2014 and are therefore regarded to be a good representation of the Maltese economy.
- d. **Region of Residence:** 14.3% (NSO Demographic Review 2014 – 14.8%) of our respondents live in the Western region of Malta while 16.7% (NSO Demographic Review 2014 – 16.2%) of our respondents live in the Northern region. 17.5% live in the South Eastern region while 18.7% live in the Southern Harbour region. The majority of our respondents (32.8%) live in the Northern Harbour region in line with the NSO Demographic Review 2014.
- e. **Number of People living in Household:** 10.3% of the respondents are single individual households while 22.7% and 13.5% of the respondents live in households composed of three and four adults, respectively. More than three-fourths of our respondents do not have children aged under 16 years of age while 13.1% have one child under 16 years of age. 9.4% of our respondents have two dependent children.
- f. **Education:** Approximately one-fourth of the respondents reported a tertiary or higher level of education while another one-fourth reported that their highest level of education is post-secondary. Nearly 40% of the respondents reported secondary education as their highest level of education while 9.1% noted that they have a primary level of education as their highest level of education.
- g. **Labour Status:** More than half of the respondents are employed while nearly 45% of the respondents are inactive of which more than half reported that they are domestic engineers while 34.1% reported that they are retired. This composition compares well with the statistics produced by NSO in the Labour Force Survey 2019/Q3.

II. Supermarket Shopping Criteria and Choice – Key Insights

- a. **Main Grocery Shopping Locality:** Nearly 85% of the respondents do their main grocery-shopping in the vicinity of their place of residence while 7.4% of the respondents stated they prefer doing their main grocery-shopping in the vicinity of their place of work.
- b. **Frequency of Main Grocery Shopping:** Nearly 35% of the respondents do their main grocery shopping every fortnight while 31.8% do their main grocery shopping once a week. 23.2% of the respondents highlighted that they do their main grocery shopping once a month while 10.1% of the respondents stated that they do so two to four times a week.
- c. **Shopping Preferences:** 33.3% (or 135 grocery shoppers) of the respondents stated that they always shop from the same grocery store while the rest (or 271 grocery shoppers) do their main grocery shopping from different supermarkets and/or grocery stores. Table 1 highlights the reasons submitted by grocery shoppers for purchasing from different grocery stores.

Table 1: Reasons for Purchasing from Different Grocery Stores³⁸

	%
Prefer to buy fresh meat from the butcher/frozen specialist	38.4
Prefer to buy fresh vegetables from the farmer's market or local vegetable shop/van	43.1
Prefer to buy fish from the fish market or fish specialist store	19.0
Prefer to buy detergents and cleaning items from a specialised detergent shop	9.9
Prefer to buy non-food related items from other shops rather than grocery stores	1.5
Some of goods/brands I like are not found at the same grocery store	9.1
I do not find specific dietary food at the same grocery store	1.0
Some products are better priced elsewhere	26.6
Do not have any particular preference from which outlet I purchase my groceries	10.6

³⁸ The percentages exceed 100% since the respondents had the possibility to submit more than one reason for purchasing from different grocery stores.

Out of the 135 respondents that stated that they always shop from the same grocery store, nearly one-fourth of the respondents stated that they shop from PAVI/PAMA supermarkets while 21.5% respondent that they shop from Lidl Malta. 14.1% of the respondents highlighted that they always do their main grocery shopping from one of the notifying parties' supermarkets as outlined in Figure 1 below.

Figure 1: Choice of Supermarket for Respondents shopping from the same supermarket

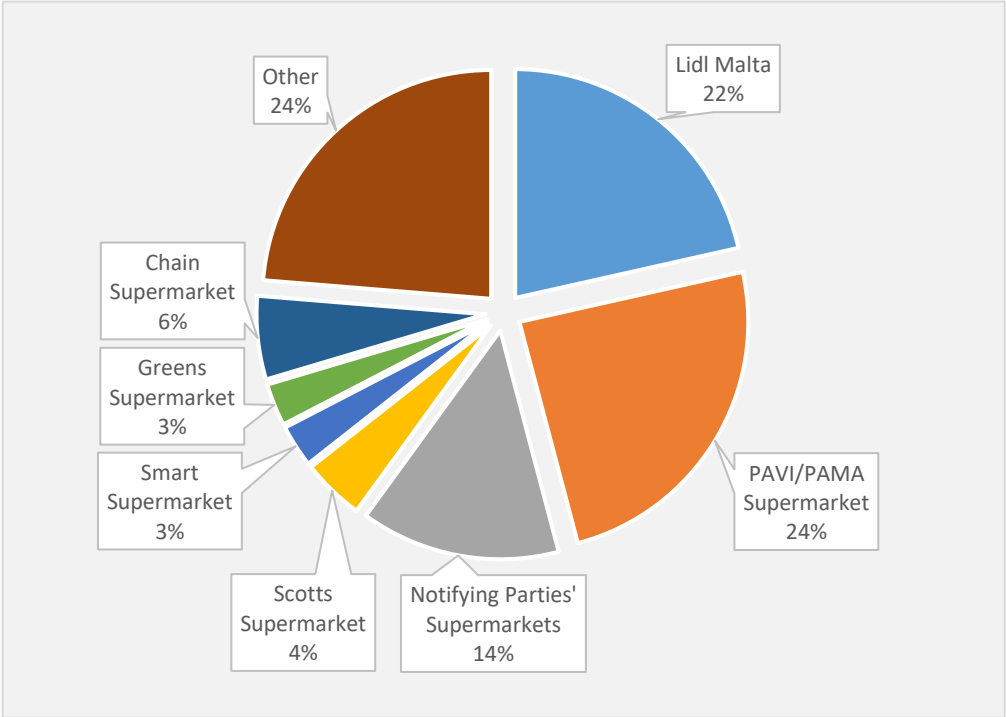
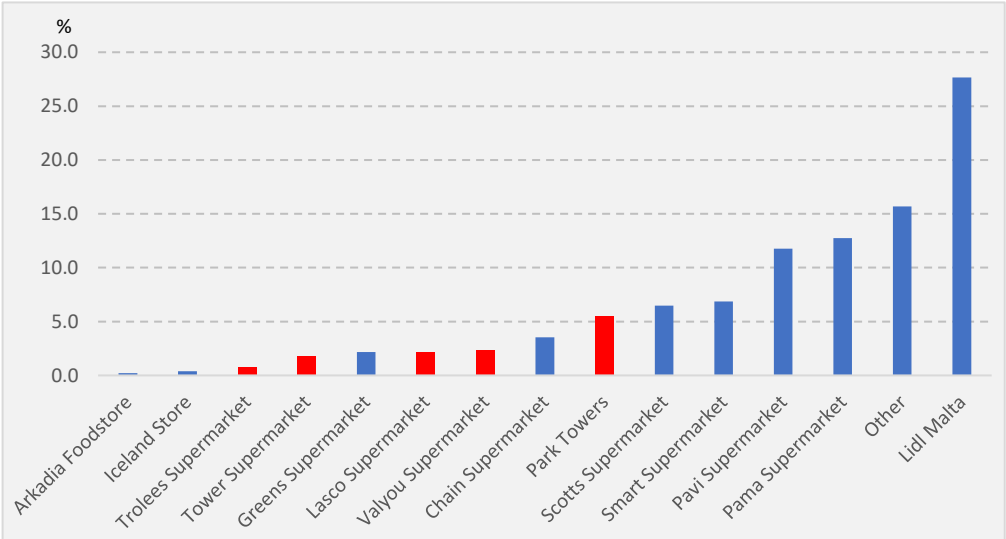


Figure 2: Choice of Supermarket for Respondents who do their main shopping from different supermarkets – Groceries ³⁹

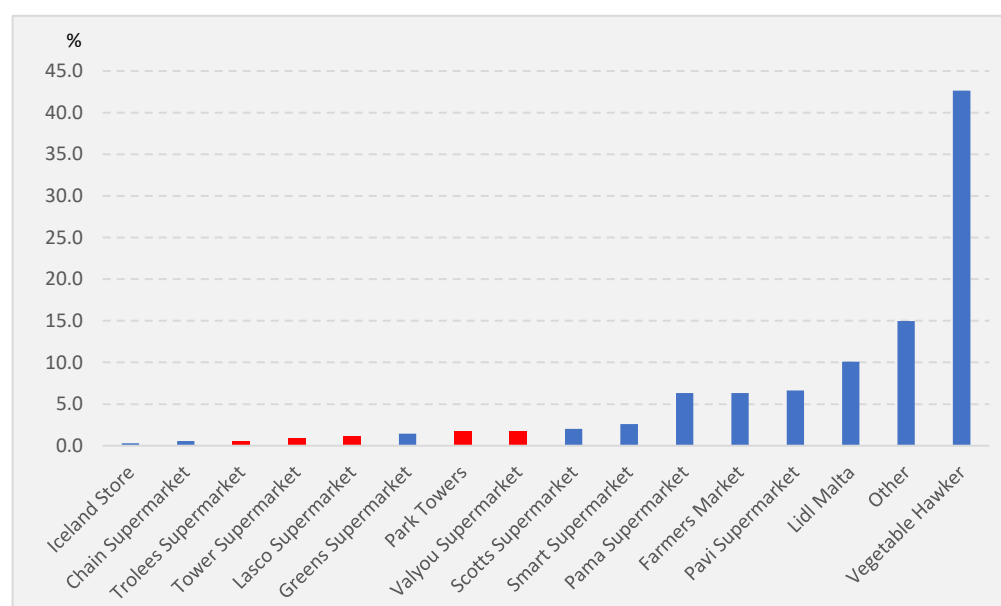


³⁹ Multiple responses have been weighted so that the cumulative percentage equals 100%.

On the other hand, Figure 2 illustrates supermarkets' popularity for respondents who their main grocery shopping from multiple supermarkets and grocery stores. Lidl Malta seems to be the most popular supermarket in this category, scoring 27.6%. Collectively, PAVI and PAMA supermarkets accounted for 24.5% of the responses while the supermarkets belonging to the notifying parties accounted for a collective 12.5%. Smart Supermarket and Scotts Supermarkets accounted for 6.9% and 6.5% of the responses, respectively. It is noteworthy that the above figures should not be interpreted as market shares since the above are capturing volume rather than value effects.

The same analysis for grocery shopping is also done for fruit and vegetables (Figure 3), fresh meat (Figure 4) and daily necessities (Figure 5).

Figure 3: Choice of Supermarket for Respondents who do their main shopping from different supermarkets – Fruit and Vegetables ³⁹



As can be observed from Figure 3, vegetable hawkers are still the most popular source for fruit and vegetable shopping. The other category which includes local fruit and vegetable shops and self-sufficient respondents who grow their own fruit and vegetables accounted for 15.0%. Collectively, the supermarkets owned by the notifying parties accounted for 6.1% below Lidl Malta and marginally lower than the shares registered by PAVI Supermarket, Farmers Market and PAMA Supermarket.

Likewise, as can be observed in Figure 4, local butcher shops accounted for nearly 45% of the respondents that resort to a different supermarket and/or grocery stores for their shopping. A difference of 25 percentage points can be noted between 'local butcher' shops and the 'other' category indicating that local butcher shops are popular with striking differences. Collectively, the supermarkets owned by the notifying parties accounted for 9.2% of the responses, 0.6 percentage point higher than PAVI Supermarket.

Figure 4: Choice of Supermarket for Respondents who do their main shopping from different supermarkets – Fresh Meat ³⁹

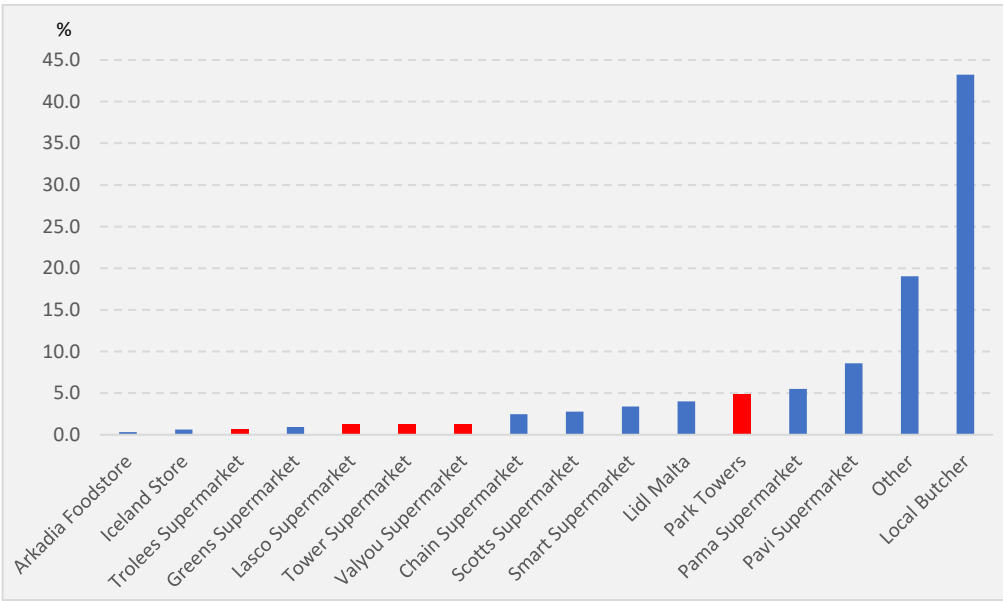


Figure 5: Choice of Supermarket for Respondents who do their main shopping from different supermarkets – Daily Necessities ³⁹

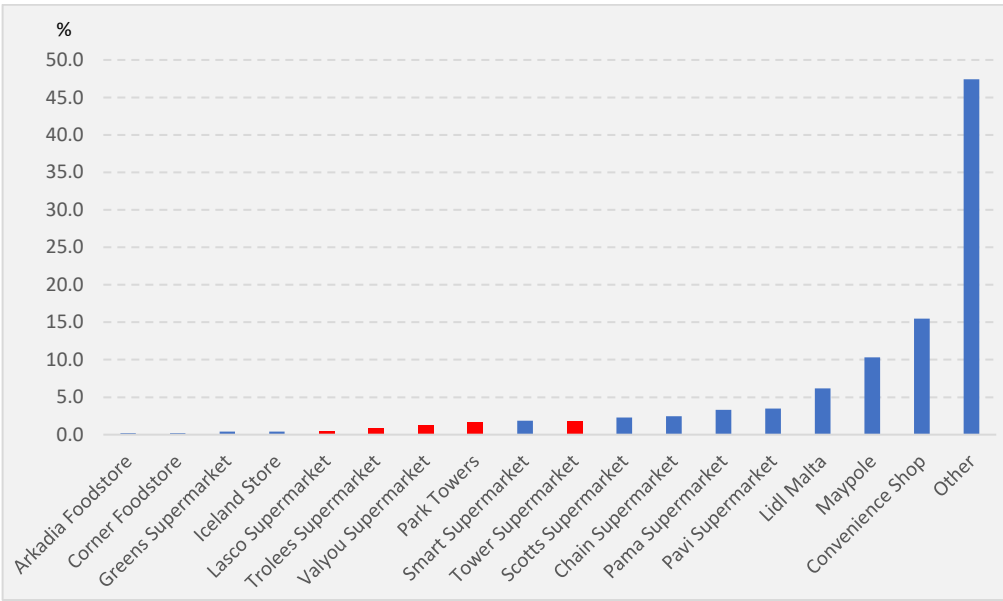


Figure 5 depicts the choice of supermarkets and grocery stores for respondents who shop from different supermarkets according to their shopping mission for daily necessities. The other category which mostly includes local corner shops are still the most important source for daily necessities, accounting for nearly 50% of the responses recorded in this category. Furthermore, the Convenience shop and Maypole also registered notable shares of 15.5% and 10.3%, respectively. Collectively, the supermarkets owned by the notifying parties accounted for 6.0% which is in line with the share registered by Lidl Malta.

III. Supermarket Shopping Habits – Key Insights

This section analyses whether from the demand-side, discounters can be assumed to be in the same relevant market as that of supermarkets and grocery stores. Particular attention is being devoted on this topic since European case law is broadly equally divided between case law which concludes that discounters should be included in the same relevant market as that for supermarkets and grocery stores and case law which concludes otherwise. Given this disparity, the Office decided to follow the guidelines of the European Commission and gather primary data on the market at hand. The Office opines that the discounter market in Malta is heavily driven by Lidl Malta and as a result, the following questions specifically relate to this undertaking as a proxy for the discounter market. It is noteworthy that this block of questions was only answered by those respondents who mentioned Lidl Malta in any of the previous questions.

- a. **Consider Lidl Malta as a Discount Store:** Nearly 80% of the respondents that answered this question consider Lidl Malta to be a discount store while 10.7% answered otherwise. This confirms the Office's approach of taking Lidl Malta as the best proxy of the discounter market.
- b. **Perceptions of Lidl Malta by its Customers:** Around 90% of Lidl Malta's customers perceive certain product categories at Lidl Malta to be cheaper than in other supermarkets and that Lidl Malta's products are in general of good quality, even though their brands are not well known. Furthermore, 70% of Lidl Malta's customers perceive Lidl Malta's promotions to be more attractive than those offered by other competitors. Moreover, similar percentages indicate that low prices are the main reason for shopping at Lidl Malta. However, it seems that the customers of Lidl Malta perceive Lidl as a complement rather than a substitute for supermarkets and grocery stores in the market. This is due to relatively low scores attained for the 'Lidl have more variety than other supermarkets', 'I buy most of my products from Lidl' and 'I only go to Lidl for specific products only' statements. The results are outlined in Table 2.
- c. **Quality of Lidl Malta's Products by its Customers:** As expected, the customers of Lidl Malta perceive the quality of Lidl Malta's products to be in general of decent quality. Notwithstanding this, relatively low scores are observed for the 'pet food', 'baby products' and 'outdoor furniture' categories. A summary of the results is illustrated in Table 3.
- d. **Importance of Brands when Shopping at Lidl Malta:** 47.2% of the customers of Lidl Malta stated that they look for brands when shopping for groceries at Lidl Malta while 50.2% confirmed otherwise.
- e. **Grocery Shopping Alternatives for Lidl Malta:** Customers of Lidl Malta were also asked which supermarket and/or grocery store they view as the next best alternative in the event that Lidl Malta close shop. Notwithstanding the low response received in this question (144 respondents), 36% identified PAVI Supermarket and PAMA Supermarket as the next best alternatives for Lidl Malta while 7.3% identified one of the supermarkets owned by the notifying parties. Similar questions were also asked for fruit and vegetables, for fresh meat and for daily needs.

Table 2: Perceptions of Lidl Malta's Customers⁴⁰

	%				
	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
Certain product categories at Lidl are cheaper than other supermarkets	0.0	0.0	7.1	33.3	56.4
Lidl have more variety than other supermarkets	14.1	34.0	29.5	10.9	10.3
Lidl's special offers are much more attractive than those of other supermarkets	3.2	3.2	14.7	21.8	50.0
Lidl's products are of good quality, even though their brands aren't well known	0.0	1.3	5.8	39.1	53.8
Lidl is the closest supermarket to my house	9.6	17.9	21.2	13.5	37.2
Low prices are the main reason for me to shop at LIDL	3.2	7.7	19.2	19.9	50.0
I buy most of my products from LIDL	9.6	20.5	35.9	13.5	20.5
I only go to Lidl for specific products only	11.5	15.4	17.9	26.3	28.8
LIDL products are of inferior quality to branded products	60.3	21.2	9.0	6.4	3.2
LIDL products are of good quality, but only in certain categories such as drinks	49.4	16.0	19.9	11.5	3.2
Most LIDL products are good	0.0	1.9	3.8	35.3	59.0
LIDL have the best offers compared to other supermarkets	1.3	3.8	21.2	22.4	46.2

⁴⁰ Percentages do not add up to 100% due to non-responses and NIL replies.

Table 3: Rating Product Quality - Lidl Malta's Customers⁴⁰

	%				
	Very poor	Poor	Average	Good	Very good
Refrigerated items	0.0	0.0	3.9	38.2	57.3
Fresh Fruit and Vegetables	0.6	1.7	16.3	46.6	14.6
Bakery	0.0	0.6	12.4	39.3	29.2
Food cupboard items (tins, condiments, cereal, etc.)	0.0	1.7	7.9	33.1	49.4
Frozen Food	0.6	0.0	19.7	36.5	32.6
Drinks	0.6	0.6	3.4	28.1	59.0
Baby Products	0.6	0.0	2.2	3.4	5.1
Health and Beauty	1.1	1.7	9.0	27.0	48.3
Pet food	0.0	0.6	1.7	9.0	13.5
Household Detergents	1.7	0.6	10.1	25.8	46.6
Outdoor Furniture	0.6	0.6	2.2	14.0	15.2
Small home appliances	1.7	2.2	4.5	21.3	36.0
Ironmongery items/tools	1.1	1.1	5.6	17.4	44.4

IV. Supermarket Shopping Preferences – Key Insights

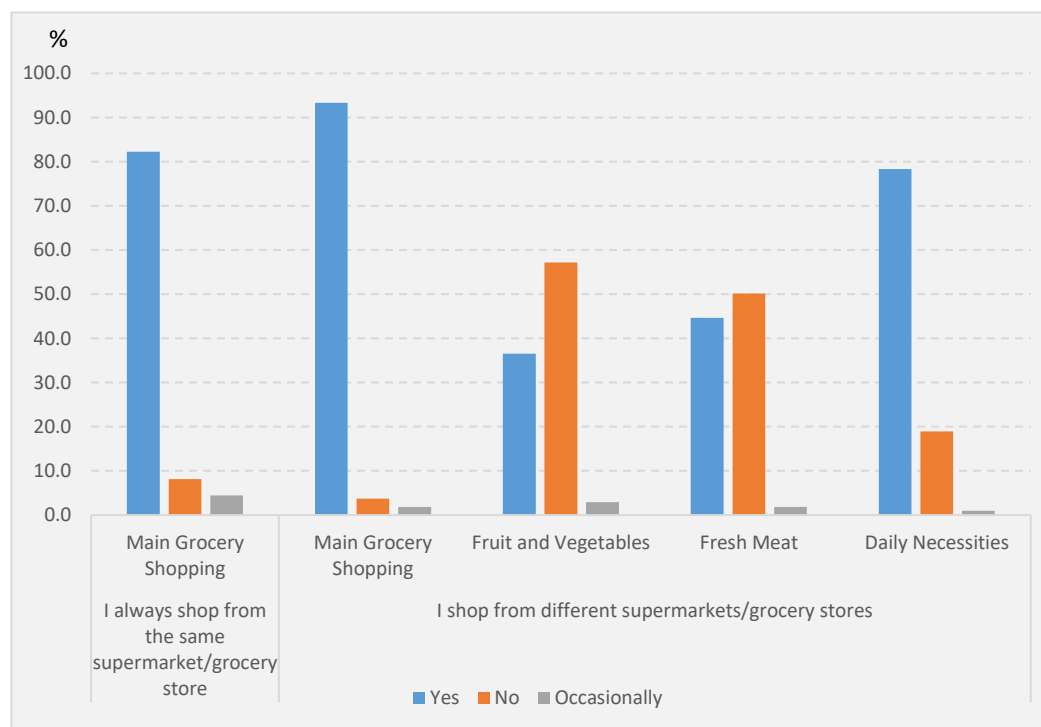
- a. **Important Factors when choosing a Store for Main Grocery Shopping:** Over 83% of the responses think that ‘Customer Service’, ‘Quality and Variety of Delicatessen’, ‘Freshness and variety of Fruit and Vegetables’, ‘Location’ and ‘Parking Area’ are very important factors when choosing a grocery store. Three-fourths of the respondents think that ‘Low Prices’, ‘Opening Hours on a Sunday’ and ‘Store Layout’ are also very important. The lowest scores were recorded for ‘Availability of Branded Products’, ‘Attractive Reward Programmes’ and ‘Fish Shop Availability’ with 63.8%, 62.1% and 18.7%, respectively. Results are outlined in Table 4.

Table 4: Important Attributes when choosing a Store for Main Grocery Shopping

	%				
	1 – 2 (Not Important at all)	3	4	5	6 – 7 (Very Important)
Low Prices	3.2	2.2	3.7	14.5	76.4
Location	3.2	1.0	2.7	9.6	83.5
Customer Service	1.5	0.5	2.5	6.2	89.4
Store Layout	2.2	2.0	6.4	14.3	75.1
Parking Area	2.2	1.0	2.0	4.9	83.5
Special Offers and Deals	3.7	4.9	7.6	12.1	71.7
Freshness and variety of Fruit and Vegetables	1.0	1.0	3.9	6.9	86.2
Quality and Variety of Delicatessen	2.0	1.0	2.2	7.1	87.7
Meat Freshness	4.9	1.2	5.2	7.1	81.5
Fish shop availability	44.6	10.3	14.0	12.1	18.7
Availability of branded products	3.0	5.2	9.4	18.7	63.8
Attractive reward programmes	8.9	5.9	8.4	14.8	62.1
Opening hours on a Sunday	5.9	3.0	4.2	11.1	75.9

- b. **Small- and Medium-Sized Stores as alternatives to Large-Sized Stores for Main Grocery Shopping:** A significant 34.7% view small- and medium-sized stores as good alternatives to large sized-stores, confirming that the market for grocery shopping also encompasses convenience stores and corner shops.
- c. **Large-Sized Stores as alternatives to Small- and Medium-Sized Stores for Daily Necessities Shopping:** 42.1% view large-sized stores as good alternatives to small- and medium-sized stores for daily necessities.
- d. **Online grocery shopping:** online grocery shopping in Malta is still unpopular as only 5.9% submitted an affirmative response. Respondents who resort to online grocery shopping usually do so for 'food cupboard' items (79.2%) and for 'household detergents' (70.8%). On the other hand, 'pet food' and 'ironmongery items' are the least popular (4.2%). Furthermore, it is worth noting that only 18.1% of the respondents that do not use online shopping consider substituting the traditional way of grocery shopping with online shopping.
- e. **Preferred Outlet Opens on Sunday:** 80% of the respondents noted that their preferred grocery outlet for main grocery shopping and daily necessities opens on Sunday. On the other hand, the relative importance assigned to opening on a Sunday for 'fruit and vegetables' and 'fresh meat' shopping is relatively lower as depicted in Figure 6.

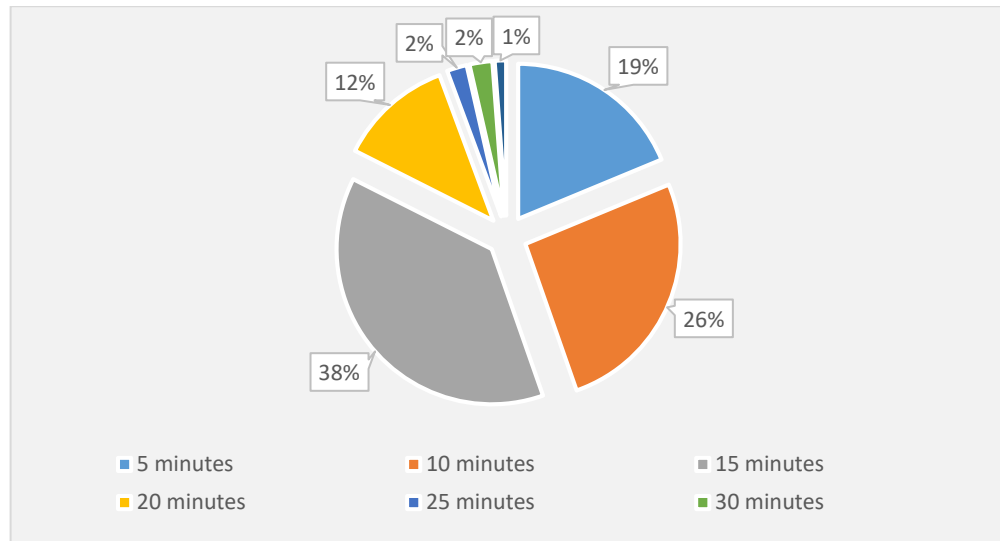
Figure 6: Preferred Supermarket/Grocery Store opens on Sunday



- f. **Time willing to spend driving to Grocery Outlet for Main Grocery Shopping:** Nearly 19.0% of the respondents highlighted that they are willing to drive 5 minutes to reach their preferred grocery outlet for main grocery shopping while 25.9% highlighted that they are willing to drive 10 minutes. The most popular answer (37.8%) is 15 minutes while 11.9% of the respondents noted that they are willing to drive 20 minutes. Nearly 6.0% identified a driving time which is in excess of 20 minutes.

Based on the above, the weighted average is 12.8 minutes. The Office opines that when using the above statistics for delineating the local geographic market, a margin of error of at least 10% should be assumed. This assumption could be interpreted as reflecting the traffic situation during the different hours of the day. This equates to a range of 11.5 – 14.1 minutes.

Figure 7: Maximum Driving Time willing to drive for main grocery shopping



- g. Willingness to change main grocery outlet if a cheaper outlet opens within 15 minutes of your home/office:** 50% of the respondents stated that they would be willing to change their main grocery outlet if a cheaper outlet, which requires a 15-minute drive from their home/office opens. 35% of the respondents stated otherwise while 15.5% of the respondents provided a 'NIL' reply. 'My current grocery outlet is too convenient for me' was the most popular reason (78.9%) highlighted by respondents for not switching to the cheaper outlet followed by 'Cheaper prices are not everything' (45.8%). The least popular reasons highlighted was 'depends on availability of parking' and 'I am a loyal customer'. It is noteworthy that the percentages exceed 100% since the respondents had the possibility to submit multiple reasons.

Box B: Key Insights from Supermarkets and Grocery Stores in Malta

Request for Information Results

Survey Instrument and Sample

In carrying out the assessment of this concentration, the Director General gathered data from all the undertakings operating in the grocery retail market in Malta by means of a request for information (Appendix B) in accordance with Regulation 10 of the Control of Concentrations Regulations. The scope of this RFI was to collect data which would assist the Office in delineating the product and geographic markets and establish market shares. All undertakings contacted were asked a question on their sales area and in cases where the sales area did not exceed 180 square meters, the questionnaire terminated. On the other hand, in cases where the sales area exceeded 180 square meters, undertakings were asked to respond a number of questions pertaining to turnover and the segregation between food and non-food items, potential investments in the pipeline over the short-term, competitors, the prices of a number of products, the availability of branded groceries, the product breadth of a number of food categories and a number of questions related to service including whether they offer a health section, parking facilities, opening hours, online shopping, number of checkout lanes and loyalty scheme programmes.

The RFI was sent on 17 March by registered post and by email (subject to availability) to nearly 400 different grocery retail outlets and chains to which the undertakings had the option to respond back via their preferred medium. Furthermore, the RFI was sent both in Maltese and in English, giving a choice to respondents to answer according to their preference.

Key Findings

Out of nearly 400 grocery retail outlets and chains contacted via the RFI, 79 different grocery retail outlets (or 43 supermarkets chains composed of a number of outlets) have a gross sales floor area exceeding the mentioned threshold.⁴¹ As a result, these undertakings were requested to answer all the questions.

Pricing

The respondents were asked to provide the prices for 29 products. These included products such as canned tuna, biscuits, butter, yoghurt, beer, coffee, soft drinks and many others. The RFI asked for the prices of *branded* products and included size specifications (in grams, millilitres, or quantity) to ensure comparability between the prices charged by different stores. The products are listed in Table 1.

⁴¹ This figure was obtained from the two waves of data collected from the supply-side. The detailed data pertaining to PQRS was collected from the second wave of data to which 64 stores out of possible 79 stores responded to the Office's RFI. In line with Regulation 13 of the Control of Concentrations Regulations, the Office may initiate court proceedings against persons, undertakings, and, or association of undertakings that intentionally or negligently supplied incorrect information in response to a request made pursuant to regulation 10 or fails to supply information within the period fixed by the Director General pursuant to regulation 10 in which case, the Court shall impose a penalty of not less than one thousand euro (€1,000) and not more than ten thousand euro (€10,000). In line with Regulation 14 of the Control of Concentrations Regulations, the Court may also impose a penalty of up to two thousand and four hundred euro (€2,400) for each day in default.

Each store's reply to the questions on pricing was benchmarked against the average price of a selected group of supermarkets (henceforth the 'select group') that includes stores belonging to the notifying parties, namely, Valyou Supermarket, Park Towers Supermarket and Lasco Supermarket, as well as stores that are easily identified as direct competitors to the notifying parties, namely, Smart Supermarket Ltd., Scotts Ltd. and Lidl.⁴²

For each listed product, we computed the average price (mean) and the standard deviation charged by the select group of supermarkets. This provided a benchmark price and an indication of the extent to which the prices charged by the select group varied from the mean. Any grocery store that charges a price that falls within one standard deviation of the average price of the select group for a substantial proportion of its products is deemed to impose a competitive constraint on the notifying parties.

Table 1 - Pricing of Products by Select Group of Supermarkets

	Mean (€)	Standard Deviation (€)
Elite Low-Fat Tuna (3x160G)	4.25	0.21
Kelloggs Frosties (500G)	3.88	0.06
Nescafe Classic (200G)	4.53	0.28
Jespers White Sliced Bread (600G)	1.10	0.00
Calypso Tomato Ketchup (340G)	1.41	0.03
Devon Cream Crackers Light (200G)	1.01	0.12
Borges Extra Virgin Olive Oil (750ML)	8.67	0.52
Barilla Penne Rigate (1000G)	1.59	0.14
Barilla Vermicelli No. 7 (1000G)	1.61	0.09
Knorr Vegetable Cube (8x80G)	1.25	0.01
Lion Tea Bags (x150)	5.78	0.12
Three Hills Concentrated Tomato Paste (415G)	1.14	0.08
La Doria Polpa Jar (3x700G)	3.25	0.32
Dujardin Baby Carrots (400G)	1.60	0.03
Dewfresh Collar Bacon (200G)	1.85	0.02
Kerrygold Spreadable Butter with Olive Oil (250G)	4.17	0.09
Meadow Lea Original (1000G)	4.95	0.17
Delta Yoghurt (170G)	1.64	0.10
Lamb Auntie's Mix Flour (500G)	0.58	0.01
7 UP (1.5L)	1.52	0.16
Cisk Lager (500ML)	1.18	0.06
Pepsi 6 Pack (1.5L)	7.23	0.43
Evian (1.5L)	1.51	0.10
Pantene Classic Care Shampoo (250ML)	3.63	0.47
Sensodyne Complete (75ML)	4.60	0.14
Lynx Apa Spray Excite (150ML)	2.35	0.10
Fabuloso Pavimenti Freschezza (1L)	1.38	0.06
Parazone Pink Thick Bleach (750ML)	1.31	0.39
Lenor Ultra Floral Romance 42 Washes	2.34	0.28

Source: Office's Calculations

⁴² Grocery stores such as PAVI and PAMA could not be included because they provided incomplete replies.

For example, a store charging a price of ± 12 cents of €1.01 for 'Devon Cream Crackers Light' would be considered to impose some competitive constraint on the notifying parties on that specific product. But since stores may charge prices that fall within the specified range for some products and not for others, we only deem stores to impose a competitive constraint on the notifying parties if at least 30% of their products are within one standard deviation of the average price of the select group of supermarkets. The 30% threshold was chosen on the basis of a sensitivity analysis that ensured that the outcomes of the exercise are not highly sensitive to small variations in the selected threshold and that they are aligned with *a priori* expectations for Malta's major supermarkets.

Overall, forty-three out of the sixty-four stores that have a sales area of 200 square meters or more are deemed to have imposed some competitive constraint on the notifying parties through their pricing. For each store included in the analysis, Table 2 shows the percentage of the products listed in Table 1 for which that store charges a price that is within one standard deviation from the average price of the select group of supermarkets. For example, Alfons ENT. Ltd. charges a price that falls within the said threshold for 43% of the listed products and is therefore deemed to impose some competitive constraint on the notifying parties in terms of pricing.

Table 2 – Products within Pricing Range of the Select Group of Supermarkets

	Percentage of Products Priced within Range	Competitive Constraint
Alfons ENT. Ltd.	43.48	Yes
Arkadia Food Express Axis	26.09	No
Arkadia Marketing Ltd. (Swatar)	26.09	No
Arkadia Marketing Ltd. (Portomaso)	26.09	No
Brema Supermarket	40.91	Yes
Chain Supermarket (Luqa)	48.15	Yes
Chain Supermarket (Fgura)	48.15	Yes
Chain Supermarket (Zabbar)	48.15	Yes
Chain Supermarket (Tigne)	48.15	Yes
Chef Choice	63.64	Yes
CONIMEX	50.00	Yes
Cornerfoodstore Co. Ltd.	33.33	Yes
E Convenience	44.44	Yes
G&G Supermarket	30.00	Yes
Iceland Supermarket (Mosta)	42.31	Yes
Iceland Supermarket (Qawra)	42.31	Yes
J&L Supermarket	46.15	Yes
JJ Supermarket	63.64	Yes
JK Supermarket	66.67	Yes
Lasco Supermarket	74.07	Yes
Lidl (Ghaxaq)	66.67	Yes
Lidl (Luqa)	66.67	Yes
Lidl (Mosta)	66.67	Yes
Lidl (Qormi)	66.67	Yes
Lidl (Safi)	66.67	Yes
Lidl (San Gwann)	66.67	Yes
Lidl (Santa Venera)	66.67	Yes
Malta Retailing Limited	62.50	Yes
Maypole (Qormi)	16.67	No
Maypole (Zabbar)	16.67	No
Maypole (Fgura)	16.67	No
Maypole (Naxxar)	16.67	No
Mellieha Holiday Centre	10.00	No

Miracle Foods Ltd. (Gzira)	0.00	No
Miracle Foods Ltd. (Mosta)	0.00	No
Oz Sofra Balkan and Turkish Foodsotre	30.77	Yes
PAVI	n/a	n/a
PAMA	n/a	n/a
Park Towers Supermarkets (St Venera)	57.69	Yes
Park Towers Supermarkets (St Julian's)	57.69	Yes
Park Towers Supermarkets (Balluta)	57.69	Yes
Piscopo's Cash & Carry	65.38	Yes
Savewise Discount Store	23.08	No
Scotts Ltd. (Attard)	55.56	Yes
Scotts Ltd. (Naxxar)	55.56	Yes
Scotts Ltd. (Burmarrad)	55.56	Yes
Scotts Ltd. (St. Lucija)	55.56	Yes
Scotts Ltd. (Sliema)	55.56	Yes
Scotts Ltd. (Zabbar)	55.56	Yes
Smart Supermarket Ltd	61.54	Yes
St. Thomas Supermarket	27.27	No
The Convenience Shop (Ghaxaq)	29.63	No
The Convenience Shop (Naxxar)	29.63	No
The Convenience Shop (Qawra)	29.63	No
The Convenience Shop (Rabat)	29.63	No
The Convenience Shop (Xemxija)	29.63	No
The Convenience Shop (Zejtun)	29.63	No
Tower Supermarket (Sliema)	71.43	Yes
Trolees Supermarket	34.62	Yes
The Food Market (Valletta)	26.09	No
Valyou Supermarket (Mellieha)	71.43	Yes
Valyou Supermarket (Naxxar)	71.43	Yes
Valyou Supermarket (Pendergardens)	71.43	Yes
Wembley Store (Valletta)	50.00	Yes

Source: Office's Calculations

Range

The respondents were asked to provide the product breadth (in numbers) for twelve product groupings.⁴³ These are listed in Table 3 and included oil, cereal, pasta, beer, health-related products, vegetables, meat, fish, cheese, kitchen accessories, as well as pet-related and ironmongery products.

A store is deemed to impose a competitive constraint on the notifying parties if its range of products within a product grouping is at least as wide as that offered by the minimum of the notifying parties' stores in at least 50% of the product groupings. The rationale for this approach is as follows. If, for example, Trolees Supermarket is the notifying parties' outlet offering the lowest range of beer, and by definition Trolees is part of the relevant market, then any other store that offers a range of beer that is as wide, or wider than, that offered by Trolees must also belong to the same product market.

⁴³ Although the RFI asked for the product breadth for twelve product categories, the analysis is based on eleven product categories because very few stores sold any ironmongery related products.

Table 3 – Product Ranges of the Notifying Parties' Stores

	Mean number	Minimum number
Oil	134	21
Cereal	300	25
Pasta	322	30
Beer	103	25
Health	246	60
Vegetables	170	120
Meat	118	5
Fish	58	-
Cheese	210	35
Kitchen Accessories	734	70
Pets	261	-

Source: Office's Calculations

For example, a store offering 21 or more oil products would be considered to impose some competitive constraint on the notifying parties on that specific product. But since stores may provide a range similar to that of the notifying parties for some categories and not for others, we only deem stores to impose a competitive constraint on the notifying parties if their product breadth exceeds that of the minimum of the notifying parties' stores in at least 50% of the product groupings. The 50% threshold was chosen on the basis of a series of sensitivity analysis that ensured that the outcomes of the exercise are not highly sensitive to small variations in the selected threshold and that they are aligned with *a priori* expectations for Malta's major supermarkets.

Overall, twenty-eight out of the sixty-four stores that have a sales area of 200 square meters or more are deemed to have imposed some competitive constraint on the notifying parties through their product range. For each store included in the analysis, Table 4 shows the percentage of product categories listed in Table 3 for which that store has a product range that is as wide, or wider, than the minimum range of the notifying parties' stores. For example, Alfsons ENT. Ltd. offers a product range that exceeds the minimum threshold for 63% of the listed product categories and is therefore deemed to impose some competitive constraint on the notifying parties.

Table 4 – Products Categories with Competitive Range

	Percentage of Product Categories meeting Minimum Range	Competitive Constraint
Alfsons ENT. Ltd.	63.64	Yes
Arkadia Food Express Axis	45.45	No
Arkadia Marketing Ltd. (Swatar)	45.45	No
Arkadia Marketing Ltd. (Portomaso)	90.91	Yes
Brema Supermarket	27.27	No
Chain Supermarket (Luqa)	100.00	Yes
Chain Supermarket (Fgura)	100.00	Yes
Chain Supermarket (Zabbar)	100.00	Yes
Chain Supermarket (Tigne)	100.00	Yes
Chef Choice	0.00	No

CONIMEX	45.45	No
Cornerfoodstore Co. Ltd.	18.18	No
E Convenience	9.09	No
G&G Supermarket	27.27	No
Iceland Supermarket (Mosta)	63.64	Yes
Iceland Supermarket (Qawra)	63.64	Yes
J&L Supermarket	9.09	No
JJ Supermarket	9.09	No
JK Supermarket	63.64	Yes
Lasco Supermarket	81.82	Yes
Lidl (Ghaxaq)	45.45	No
Lidl (Luqa)	45.45	No
Lidl (Mosta)	45.45	No
Lidl (Qormi)	45.45	No
Lidl (Safi)	45.45	No
Lidl (San Gwann)	45.45	No
Lidl (Santa Venera)	45.45	No
Malta Retailing Limited	9.09	No
Maypole (Qormi)	0.00	No
Maypole (Zabbar)	0.00	No
Maypole (Fgura)	0.00	No
Maypole (Naxxar)	0.00	No
Mellieha Holiday Centre	27.27	No
Miracle Foods Ltd. (Gzira)	9.09	No
Miracle Foods Ltd. (Mosta)	9.09	No
Oz Sofra Balkan and Turkish Foodsotre	0.00	No
PAVI	45.45	No
PAMA	45.45	No
Park Towers Supermarkets (St Venera)	90.91	Yes
Park Towers Supermarkets (St Julian's)	90.91	Yes
Park Towers Supermarkets (Balluta)	90.91	Yes
Piscopo's Cash & Carry	54.55	Yes
Savewise Discount Store	54.55	Yes
Scotts Ltd. (Attard)	54.55	Yes
Scotts Ltd. (Naxxar)	54.55	Yes
Scotts Ltd. (Burmarrad)	54.55	Yes
Scotts Ltd. (St. Lucija)	54.55	Yes
Scotts Ltd. (Sliema)	54.55	Yes
Scotts Ltd. (Zabbar)	54.55	Yes
Smart Supermarket Ltd	100.00	Yes
St. Thomas Supermarket	9.09	No
The Convenience Shop (Ghaxaq)	45.45	No
The Convenience Shop (Naxxar)	63.64	Yes
The Convenience Shop (Qawra)	45.45	No
The Convenience Shop (Rabat)	54.55	Yes
The Convenience Shop (Xemxija)	54.55	Yes
The Convenience Shop (Zejtun)	54.55	Yes
Tower Supermarket (Sliema)	0.00	No
Trolees Supermarket	90.91	Yes
The Food Market (Valletta)	72.73	Yes

Valyou Supermarket (Mellieha)	0.00	No
Valyou Supermarket (Naxxar)	0.00	No
Valyou Supermarket (Pendergardens)	0.00	No
Wembley Store (Valletta)	9.09	No

Source: Office's Calculations

Service

The respondents were asked about the provision of several services that are generally deemed desirable by at least a proportion of the customers. Specifically, each store had to indicate whether it opens on Sundays, offer parking facilities, toilet facilities, deliveries and pick-ups, loyalty schemes and discounts.

We deem stores to impose a competitive constraint on the notifying parties if they provide at least three of a selection of “good-service” characteristics. The choice of a threshold of three ‘good-service’ characteristics is arbitrary; but as was the case with the other classification criteria, we subjected the threshold to a sensitivity analysis to ensure that the outcome of the analysis is not highly sensitive to the arbitrarily chosen threshold.

The results of the service analysis are summarised in Table 5. Overall, forty-five out of the sixty-four stores that have a sales area of 200 square meters or more are deemed to have imposed some competitive constraint on the notifying parties through their service.

Table 5 – Services Offered by Store

	Number of 'Good Service' Characteristics	Competitive Constraint
Alfsons ENT. Ltd.	2	No
Arkadia Food Express Axis	2	No
Arkadia Marketing Ltd. (Swatar)	2	No
Arkadia Marketing Ltd. (Portomaso)	2	No
Brema Supermarket	2	No
Chain Supermarket (Luqa)	4	Yes
Chain Supermarket (Fgura)	4	Yes
Chain Supermarket (Zabbar)	4	Yes
Chain Supermarket (Tigne)	4	Yes
Chef Choice	4	Yes
CONIMEX	1	No
Cornerfoodstore Co. Ltd.	2	No
E Convenience	2	No
G&G Supermarket	4	Yes
Iceland Supermarket (Mosta)	5	Yes
Iceland Supermarket (Qawra)	5	Yes
J&L Supermarket	3	Yes
JJ Supermarket	2	No
JK Supermarket	4	Yes
Lasco Supermarket	4	Yes
Lidl (Ghaxaq)	4	Yes
Lidl (Luqa)	4	Yes
Lidl (Mosta)	4	Yes

Lidl (Qormi)	4	Yes
Lidl (Safi)	3	Yes
Lidl (San Gwann)	4	Yes
Lidl (Santa Venera)	3	Yes
Malta Retailing Limited	3	Yes
Maypole (Qormi)	4	Yes
Maypole (Zabbar)	4	Yes
Maypole (Fgura)	4	Yes
Maypole (Naxxar)	4	Yes
Mellieha Holiday Centre	3	Yes
Miracle Foods Ltd. (Gzira)	4	Yes
Miracle Foods Ltd. (Mosta)	4	Yes
Oz Sofra Balkan and Turkish Foodsotre	2	No
PAVI	6	Yes
PAMA	6	Yes
Park Towers Supermarkets (St Venera)	5	Yes
Park Towers Supermarkets (St Julian's)	5	Yes
Park Towers Supermarkets (Balluta)	5	Yes
Piscopo's Cash & Carry	4	Yes
Savewise Discount Store	2	No
Scotts Ltd. (Attard)	6	Yes
Scotts Ltd. (Naxxar)	6	Yes
Scotts Ltd. (Burmarrad)	6	Yes
Scotts Ltd. (St. Lucija)	6	Yes
Scotts Ltd. (Sliema)	6	Yes
Scotts Ltd. (Zabbar)	6	Yes
Smart Supermarket Ltd	6	Yes
St. Thomas Supermarket	3	Yes
The Convenience Shop (Ghaxaq)	1	No
The Convenience Shop (Naxxar)	2	No
The Convenience Shop (Qawra)	2	No
The Convenience Shop (Rabat)	1	No
The Convenience Shop (Xemxija)	1	No
The Convenience Shop (Zejtun)	2	No
Tower Supermarket (Sliema)	4	Yes
Trolees Supermarket	4	Yes
The Food Market (Valletta)	2	No
Valyou Supermarket (Mellieha)	4	Yes
Valyou Supermarket (Naxxar)	5	Yes
Valyou Supermarket (Pendergardens)	5	Yes
Wembley Store (Valletta)	2	No

Source: Office's Calculations

Other indicators

The RFI respondents were also asked to produce a range of indicators of other characteristics and the performance of their stores. These included the annual turnover, the percentage of sales accounted for by food items, and the average expenditure per customer. Taken together, the three indicators may be indicative of whether a specific store is likely to be part of the same relevant product market as the stores owned by the notifying parties.

The results, by store, for the sixty-four stores with a sales area of 200 square meters or more are presented in Table 9 of the report. In Table 6 of the box, we report the average for two categories: those classified as part of the relevant market and those that are not. On average, the stores classified as part of the relevant market made [€] worth of sales in 2018. This is significantly higher than the [€] average turnover made by those stores classified outside the relevant market. The difference is also reflected in the average spend per customer. Those stores classified as part of the relevant market reported an average spend per customer of [€], while those outside reported only [€].

Table 6 – Services Offered by Store

	Turnover in 2018 (€)	Expenditure per customer (€)	Food as a proportion of Total Turnover (%)
Stores classified <i>within</i> the relevant market	[€]	[€]	[%]
Stores classified <i>outside</i> the relevant market	[€]	[€]	[%]

The stores classified as part of the relevant product market also seem to have a larger portion of their total sales being generated from non-food items. But the figures reported in Table 6 do not show a significant difference between the two groups.

Table 7 – Type of Competitor (by store classification)

	Supermarkets & Discounters	Convenience Stores
Stores classified <i>within</i> the relevant market	97.4%	53.8%
Stores classified <i>outside</i> the relevant market	46.2%	80.7%

The RFI respondents were also asked whether they deemed ‘supermarkets and discounters’ and ‘convenience stores’ as their competitors. 97.4% of those classified as part of the relevant market identified ‘supermarkets and discounters’ as competitors; compared to only 46.2% of those classified outside the relevant market. Similarly, 80.7% of those classified outside the relevant market identified ‘convenience stores’ as competitors; compared to only 53.8% of those classified as part of the relevant market.

Finally, we should note that none of the indicators and classification criteria used in the analysis should be read in isolation. Taken together, they are intended to help the Office assess the extent to which the various stores considered in the analysis may impose a competitive constraint on the stores owned by the notifying parties. Overall, the outcome of the analysis suggests that the PQRS classification is reasonable.

5.4 Geographic Market

Parties' Views

142. The notifying parties noted that in practice the European Commission has delineated the geographic market for retail sale of daily consumer goods, according to demand-side considerations, by the boundaries of a territory where the outlets can be reached easily by consumers – with a radius of approximately 20 to 30 minutes driving time.
143. The notifying parties also highlighted that according to the European Commission, it is important that such delineation of each local area should be undertaken on a case by case basis by considering specific local circumstances.
144. The notifying parties stated that from a domestic Maltese perspective, all retail grocery stores in the island of Malta are effectively able to have a national sphere of influence due to the small size of the island, with all supermarkets and convenience stores aiming to have a national appeal and customer base and being reasonably within reach from all places on the island by not more than a 20-minute drive. Furthermore, it was noted that the particular geographic characteristics of the island of Malta mean that travel to a retail grocery store is not a significant undertaking to the average consumer, which further supports a conclusion that the island of Malta may be realistically viewed as a single geographic market. The same may be said from a distribution perspective, with all retail grocery stores in Malta having adequate and equal access to all local importers/distributors of products.
145. For the above reasons, the notifying parties noted that in their view, retail grocery stores situated and operating in the island of Gozo should be excluded in view of an additional travel time of 20-minutes (represented by a typical ferry crossing) and related ferry crossing expenses.

Our assessment

National Definition of the Geographic Market

146. For the purpose of delineating the national definition of the geographic market, the Office referred to Eurostat's National Accounts data for Malta to estimate the total market value of commodities sold by the market operators in this sector. For this purpose, the figure for total individual consumption on food, beverages, household equipment and personal care consumed in Malta was assumed to be the most reliable available source of data to estimate the total market value of sales generated by supermarket operators in Malta.
147. The total market expenditure on food, beverages, personal care and household related equipment purchased from supermarkets and convenience shops in Malta and Gozo for 2018 has been estimated at €1.239 billion as shown in table 2 below.

Table 2: Individual Consumption Expenditure in Malta and Gozo (€000)

	2015	2016	2017	2018
Food and Non-Alcoholic Beverages	677,149	698,550	731,955	752,245
Alcoholic Beverages and Tobacco	218,805	229,571	241,351	259,301
Tools and equipment for house and garden	17,100	15,500	18,800	21,100
Personal care	184,400	189,200	189,100	206,600
Total Market	1,097,455	1,132,822	1,181,206	1,239,247

Source: National Accounts, NSO & Eurostat (034/2020)

148. After adjusting for the fact that ironmongers and other household stores also sell equipment for house and garden, and personal care products are also sold by other operators such as pharmacies, the total established market value was adjusted downwards.

149. Furthermore, the Office agrees with the views submitted by the notifying parties that retail grocery stores situated and operating in the island of Gozo should be excluded in view of an additional travel time of 20-minutes (represented by a typical ferry crossing) and related ferry crossing expenses. This is in view of the results inferred from the demand-side survey conducted by the Office, whereby it was concluded that the maximum estimated weighted average driving time that consumers are willing to drive for their main grocery shopping is 12.8 minutes.

150. Based on the above, the Office limited the national definition of the geographic market to the territory of Malta since all supermarkets of the notifying parties are located in Malta and adjusted the total established market value downwards based on demographics statistics as shown in table 3 below.

Table 3: Individual Consumption Expenditure in Malta and Gozo – Adjustments (€000)

	2015	2016	2017	2018	Adjustments
Food and Non-Alcoholic Beverages	677,149	698,550	731,955	752,245	
Alcoholic Beverages and Tobacco	218,805	229,571	241,351	259,301	
Tools and equipment for house and garden	4,275	3,875	4,700	5,275	25%
Personal care	138,300	141,900	141,825	154,950	75%
Total Market Adjusted	1,038,530	1,073,897	1,119,831	1,171,772	
Population	439,691	450,415	460,297	475,701	
of which: Malta	407,958	418,490	428,091	442,978	
Gozo	31,733	31,925	32,206	32,723	
Total Market Adjusted for Malta Only	963,578	997,780	1,041,479	1,091,167	

Source: National Accounts, NSO & Eurostat (034/2020)

151. Based on the information gathered through the RFIs, the Office computed the market share of the notifying parties based on grocery retail outlets in Malta exceeding a gross sales floor area of 200 square meters.

Table 4: National Geographic Market based on the Adjusted Market

Name of Supermarket / Discounter	Revenue (€000)	Implicit Market Share Based on Total Market
Park Towers - St Venera	⌘	⌘
Park Towers - St Julians	⌘	⌘
Park Towers - Balluta	⌘	⌘
Valyou - Belleview	⌘	⌘
Valyou - Naxxar	⌘	⌘
Valyou - Pender	⌘	⌘
Towers - Sliema	⌘	⌘
Trolees - Qawra	⌘	⌘
Lasco Zejtun	⌘	⌘
Retail Marketing Limited	⌘	⌘
Arkadia Portomaso Foodstore	⌘	⌘
Arkadia FoodExpress Axis	⌘	⌘
Arkadia FoodExpress Swatar	⌘	⌘
Arkadia Group	⌘	⌘
Smart Supermarket Ltd	⌘	⌘
Brema Supermarket	⌘	⌘
The Wembley Store	⌘	⌘
Ta' Ganza (Qormi)	⌘	⌘
Lidl Malta - Santa Venera	⌘	⌘
Lidl Malta - San Gwann	⌘	⌘
Lidl Malta - Ghaxaq	⌘	⌘
Lidl Malta - Safi	⌘	⌘
Lidl Malta - Luqa	⌘	⌘
Lidl Malta - Qormi	⌘	⌘
Lidl Malta - Mosta	⌘	⌘
Lidl Malta Group	⌘	⌘
PAVI	⌘	⌘
PAMA	⌘	⌘
PG Group	⌘	⌘
A.D. Supermarket	⌘	⌘
Mellieha Holiday Centre Ltd	⌘	⌘
Alfons Ent. Ltd	⌘	⌘
SPAR Marsaxlokk	⌘	⌘
SPAR Tigne Sliema	⌘	⌘
Interspar Hamrun	⌘	⌘
SPAR Group	⌘	⌘
Cassar Bargain Shop	⌘	⌘
Green's Supermarket	⌘	⌘
G&G Self Service (Attard)	⌘	⌘
Chef Choice (Marsaskala)	⌘	⌘
Piscopo Cash & Carry	⌘	⌘

Iceland Store (Qawra)		
Iceland Store (Mosta)		
Iceland Store		
St. Thomas Supermarket		
JJ Supermarket		
EL Panadero		
Scotts (Attard)		
Scotts (Naxxar)		
Scotts (Burmarrad)		
Scotts (St. Lucija)		
Scotts (Sliema)		
Scotts (Spinola)		
Scotts (Zabbar)		
Scotts (Fleur De Lys)		
Scotts Group		
Vella Supermarket		
The X-Zone Discount Shop		
Corner Foodstore (Swieqi)		
Q Market		
Gala Centre Supermarket		
Chain (Carters - Luqa)		
Chain (Fgura)		
Chain (Zabbar)		
Chain (Tigne Point)		
Chain Supermarkets		
Savemart (San Gwann)		
Vegimania		
Dave's (Zurrieq)		
Dave's (Zebbug)		
Dave's		
Conimex (Attard)		
E Convenience (M'Skala)		
J&L Supermarket		
JK Supermarket		
Maypole (Qormi)		
Maypole (Zabbar)		
Maypole (Fgura)		
Maypole (Naxxar)		
Maypole		
Miracle Foods Limited (Gzira)		
Miracle Foods Limited (Mosta)		
Miracle Foods Limited		

oz Sofra Balkan and Turkish Foodsotre	[X]	[X]
Savewise Discount Store	[X]	[X]
The Convenience Shop (Ghaxaq)	[X]	[X]
The Convenience Shop (Qawra)	[X]	[X]
The Convenience Shop (Rabat)	[X]	[X]
The Convenience Shop (Xemxija)	[X]	[X]
The Convenience Shop (Zejtun)	[X]	[X]
The Convenience Shop	[X]	[X]
The Food Market (Valletta)	[X]	[X]
Total	571,971	
Implicit Revenue of Supermarkets & Grocery Stores with Sales Area less than 200sqm (2018)	519,196	

Source: Office's Calculations; Information from the RFIs.

152. According to the Office's calculations and assumptions, the notifying parties have a share of [X] of the total adjusted market. It is noteworthy that if one had to calculate the market share based on the estimated market for supermarkets and grocery retail outlets with a gross sales floor area exceeding 200 square meters, the market share would increase to [X]. This is coupled with a post-merger HHI of 1,395 and a delta of 121.7.

153. However, these estimations are inclusive of dedicated and specialised stores and convenience stores which, according to the product market definition, constitute a separate market based on the price, range and service criteria even though they have a sales floor area that exceeds 200 square meters. When excluding these stores, the market share of the notifying parties soars to [X] as shown in table 5 below.

Table 5: National Geographic Market based on the Adjusted Market when excluding dedicated and specialised stores and convenience stores

Name of Supermarket / Discounter	Revenue (€000)	Implicit Market Share Based on Total Market	Pre-Merger HHI	Post-Merger HHI
Park Towers - St Venera	[X]	[X]	[X]	
Park Towers - St Julians	[X]	[X]	[X]	
Valyou - Belleview	[X]	[X]	[X]	
Valyou - Naxxar	[X]	[X]	[X]	
Towers - Sliema	[X]	[X]	[X]	
Trolees - Qawra	[X]	[X]	[X]	
Lasco Zejtun	[X]	[X]	[X]	
Retail Marketing Limited	[X]	[X]		[X]
Arkadia Portomaso Foodstore	[X]	[X]	[X]	[X]
Arkadia FoodExpress Axis	[X]	[X]	[X]	[X]
Arkadia FoodExpress Swatar	[X]	[X]	[X]	[X]
Arkadia Group	[X]	[X]	[X]	[X]
Smart Supermarket Ltd	[X]	[X]	[X]	[X]
Brema Supermarket	[X]	[X]	[X]	[X]

Lidl Malta - Santa Venera	✘	✘	✘	✘
Lidl Malta - San Gwann	✘	✘	✘	✘
Lidl Malta - Ghaxaq	✘	✘	✘	✘
Lidl Malta - Safi	✘	✘	✘	✘
Lidl Malta - Luqa	✘	✘	✘	✘
Lidl Malta - Qormi	✘	✘	✘	✘
Lidl Malta - Mosta	✘	✘	✘	✘
Lidl Malta Group	✘	✘	✘	✘
PAVI	✘	✘	✘	✘
PAMA	✘	✘	✘	✘
PG Group	✘	✘	✘	✘
A.D. Supermarket	✘	✘	✘	✘
Mellieha Holiday Centre Ltd	✘	✘	✘	✘
SPAR Marsaxlokk	✘	✘	✘	✘
SPAR Tigne Sliema	✘	✘	✘	✘
SPAR Group	✘	✘	✘	✘
Cassar Bargain Shop	✘	✘	✘	✘
Green's Supermarket	✘	✘	✘	✘
G&G Self Service (Attard)	✘	✘	✘	✘
Chef Choice (Marsaskala)	✘	✘	✘	✘
Piscopo Cash & Carry	✘	✘	✘	✘
Iceland Store (Qawra)	✘	✘	✘	✘
Iceland Store (Mosta)	✘	✘	✘	✘
Iceland Store	✘	✘	✘	✘
St. Thomas Supermarket	✘	✘	✘	✘
JJ Supermarket	✘	✘	✘	✘
EL Panadero	✘	✘	✘	✘
Scotts (Attard)	✘	✘	✘	✘
Scotts (Naxxar)	✘	✘	✘	✘
Scotts (Burmarrad)	✘	✘	✘	✘
Scotts (St. Lucija)	✘	✘	✘	✘
Scotts (Sliema)	✘	✘	✘	✘
Scotts (Spinola)	✘	✘	✘	✘
Scotts (Zabbar)	✘	✘	✘	✘
Scotts (Fleur De Lys)	✘	✘	✘	✘
Scotts Group	✘	✘	✘	✘
Vella Supermarket	✘	✘	✘	✘
Corner Foodstore (Swieqi)	✘	✘	✘	✘
Q Market	✘	✘	✘	✘
Gala Centre Supermarket	✘	✘	✘	✘
Chain (Carters - Luqa)	✘	✘	✘	✘
Chain (Fgura)	✘	✘	✘	✘
Chain (Zabbar)	✘	✘	✘	✘

Chain (Tigne Point)	[X]	[X]	[X]	[X]
Chain Supermarkets	[X]	[X]	[X]	[X]
Savemart (San Gwann)	[X]	[X]	[X]	[X]
Vegimania	[X]	[X]	[X]	[X]
Dave's (Zurrieq)	[X]	[X]	[X]	[X]
Dave's (Zebbug)	[X]	[X]	[X]	[X]
Dave's	[X]	[X]	[X]	[X]
J&L Supermarket	[X]	[X]	[X]	[X]
JK Supermarket	[X]	[X]	[X]	[X]
Miracle Foods Limited (Gzira)	[X]	[X]	[X]	[X]
Miracle Foods Limited (Mosta)	[X]	[X]	[X]	[X]
Miracle Foods Limited	[X]	[X]	[X]	[X]
Savewise Discount Store	[X]	[X]	[X]	[X]
The Food Market (Valletta)	[X]	[X]	[X]	[X]
Total	522,687	100.0	1,436.1	1,600.1
ΔHHI				137.02

Source: Office's Calculations; Information from the RFIs.

154. As stated in paragraph 18 of the Guidelines on the assessment of horizontal mergers under the Council Regulation on the control of concentrations between undertakings:

*“Concentrations which, by reason of the limited market share of the undertakings concerned, are not liable to impede effective competition may be presumed to be compatible with the common market. Without prejudice to Articles 81 and 82 of the Treaty, an indication to this effect exists, in particular, **where the market share of the undertakings concerned does not exceed 25 % either in the common market or in a substantial part of it.**”⁴⁴*

[Emphasis Added]

155. According to tables 8 and 9, the notifying parties registered a market share way below the 25% threshold and as a result, from a national definition perspective, the Office does not view the proposed concentration to possibly lead to an SLC.

156. Furthermore, as stated in paragraph 20 of the Guidelines on the assessment of horizontal mergers under the Council Regulation on the control of concentrations between undertakings:

⁴⁴ See Guidelines on the assessment of horizontal mergers under the Council Regulation on the control of concentrations between undertakings (Official Journal C 031, 05/02/2004 P.0005-0018), paragraph 18.

*“The Commission is also **unlikely to identify horizontal competition concerns in a merger with a post-merger HHI between 1000 and 2000 and a delta below 250, or a merger with a post-merger HHI above 2000 and a delta below 150...**”⁴⁵*

[Emphasis Added]

157. As highlighted in table 9, the HHI levels and the corresponding delta HHI figure between pre- and post-concentration are well within the bands of paragraph 20 of the Guidelines which further confirms the Office's views that from a national definition perspective, the proposed concentration is unlikely to lead to an SLC in the Maltese market.

Local Definition of the Geographic Market

158. To properly delineate the local geographic markets, the Office followed the methodology as proposed in paragraph 5.2.25 in the *Merger Assessment Guidelines*:

“When assessing mergers involving a large number of local geographic markets – for example, mergers of grocery retailers operating over multiple localities – the Authorities may examine the geographic catchment area within which the great majority of a store's custom is located. Catchment areas are a pragmatic approximation for a candidate market to which the hypothetical monopolist test can be applied; the use of catchment areas is not an alternative conceptual approach. However, the geographic market is identified using the hypothetical monopolist test will typically be wider than a catchment area. Consequently, if the impact of the merger on concentration in this catchment area appears unproblematic, then the Authorities may exclude the local area from further analysis without concluding on the boundaries of that particular relevant geographic market.”⁴⁶

159. Given that the notifying parties own multiple stores across Malta, in order to delineate the local definition of the geographic market, the Office resorted to the data inferred from the customer survey and the data collected from the notifying parties and third-parties to examine the geographic catchment areas.

160. The Office opines that while European case law provides information on the driving time that customers are willing to travel for their main grocery shopping, one must delineate the local relevant geographic market based on the Maltese context. The Office also considered the fact that any assumptions taken with regards to driving time will have a considerable effect on the competitive assessment at the local level. As a result, in order to eliminate subjectivity biases, the Office gathered such data by means of a population-based survey.

161. Based on the responses gathered, the Office estimated a weighted average driving time of 12.8 minutes. In order to account for possible response measurement biases and different traffic volumes, the Office undertook the assessment of the local geographic market based on four different scenarios:

A. Scenario 1: In this scenario, the Office resorted to the weighted average driving time inferred from the demand-side survey and undertook its competitive assessment for each supermarket involved in this concentration. In order to carry out the competitive assessment, this scenario involved a three-step approach: (1) the Office undertook a

⁴⁵ See Guidelines on the assessment of horizontal mergers under the Council Regulation on the control of concentrations between undertakings (Official Journal C 031, 05/02/2004 P.0005-0018), paragraph 20.

⁴⁶ See Merger Assessment Guidelines, a joint publication of the Competition Commission and the Office of Fair Trading (OFT1254, September 2010 CC2 Revised), paragraph 5.2.25.

study to map the centre of each locality in Malta and through Google Maps, measured the driving time from each supermarket involved in this concentration to the centre of each locality in Malta; (2) based on this, the Office recorded the grocery retail outlets exceeding a sales area of 200 square meters which are located within the area of 12.8 minutes driving time; (3) to account for the fact that there may be grocery retail outlets located in the periphery of the locality as opposed to the centre of the locality, the Office measured the driving time between each grocery retail outlet listed in step 2 to the respective supermarket involved in this concentration, terminating outlets that required a driving trip which exceeds 12.8 minutes. This methodology was repeated for every supermarket involved in this concentration. Based on the final list of grocery retail outlets which according to this scenario are local competitors to the respective supermarket involved in this concentration, through the data gathered from the RFIs, the Office computed the respective market shares and measures of concentration for each supermarket of the notifying parties.

- B. Scenario 2: In order to account for the fact that some customers prefer to do their main grocery shopping during hours characterized by high traffic volume, the Office noted that when assuming an average driving speed of 40km/hour i.e. the typical average speed recorded in Malta during hours of high traffic volume, in 12.8 minutes, a customer would be able to cover a distance of approximately 8.5 kilometres. As a result, in this scenario, the Office undertook the same three-step approach outlined in Scenario 1 with one distinction i.e. instead of working with driving time, the distance of 8.5 kilometres was taken as the threshold value. The Office resorted to the same methodology in order to calculate the respective market shares and measures of concentration for each supermarket of the notifying parties.
 - C. Scenario 3: To account for possible response measurement biases, a margin of error of +/- 15% to the 12.8 minutes weighted average driving time inferred from the demand-side survey is assumed, yielding an upper threshold value of 15 minutes driving time. The same three-step methodology adopted in the above scenarios was also adopted for this scenario.
 - D. Scenario 4: This scenario amalgamates the Office's assumptions of the typical average speed recorded in Malta during hours of high traffic volume with the upper threshold value of 15 minutes driving time estimated in Scenario 3. According to the Office's calculations, this equates to a total covered driving distance of 10 kilometres. Based on this value, the same methodology adopted in Scenario 2 is also applied here.
162. As stated in paragraph 18 of the Guidelines on the assessment of horizontal mergers under the Council Regulation on the control of concentrations between undertakings:

*“Concentrations which, by reason of the limited market share of the undertakings concerned, are not liable to impede effective competition may be presumed to be compatible with the common market. Without prejudice to Articles 81 and 82 of the Treaty, an indication to this effect exists, in particular, **where the market share of the undertakings concerned does not exceed 25 % either in the common market or in a substantial part of it.**”⁴⁷*

[Emphasis Added]

⁴⁷ See Guidelines on the assessment of horizontal mergers under the Council Regulation on the control of concentrations between undertakings (Official Journal C 031, 05/02/2004 P.0005-0018), paragraph 18.

Table 6: Market Share of Retail Marketing Limited Post-Concentration

	Lasco	Trolees	Valyou Mellieha	Tower	Valyou St. Julian's	Valyou Naxxar	Park Towers St. Venera	Park Towers St. Julian's
SCN 1	[5-10]%	[20-25]%	[20-25]%	[30-35]%	[15-20]%	[15-20]%	[15-20]%	[15-20]%
SCN 2	[5-10]%	[15-20]%	[20-25]%	[20-25]%	[10-15]%	[15-20]%	[10-15]%	[15-20]%
SCN 3	[10-15]%	[10-15]%	[20-25]%	[20-25]%	[10-15]%	[15-20]%	[10-15]%	[10-15]%
SCN 4	[10-15]%	[10-15]%	[20-25]%	[15-20]%	[10-15]%	[15-20]%	[10-15]%	[10-15]%

Source: Office's Calculations

163. As highlighted in Table 6, all supermarkets registered a market share below 25% with the exception of Tower Supermarket which accounted for a market share of [30-35]% in Scenario 1. Given that the threshold is only exceeded by [5-10] percentage points and that this is the exception, the Office does not view this result as posing a serious threat to competition. This is further substantiated by the fact that in line with the *Merger Assessment Guidelines*:

*"In relation to market shares, previous OFT decisions in mergers in markets where products are undifferentiated **suggest that combined market shares of less than 40 per cent will not often give the OFT cause for concern over unilateral effects...**"⁴⁸*

[Emphasis Added]

164. Moreover, as stated in paragraph 20 of the Guidelines on the assessment of horizontal mergers under the Council Regulation on the control of concentrations between undertakings:

*"The Commission is also **unlikely to identify horizontal competition concerns in a merger with a post-merger HHI between 1000 and 2000 and a delta below 250, or a merger with a post-merger HHI above 2000 and a delta below 150...**"⁴⁹*

[Emphasis Added]

165. As can be noted from tables 7 and 8, in all scenarios, Valyou St. Julian's, Valyou Naxxar, Park Towers St. Venera and Park Towers St. Julian's have a post-concentration HHI between 1000 and 2000 and a delta below 250. The same applies for Scenarios 2 and 4 of Tower Supermarket and Scenarios 3 and 4 of Trolees Supermarket.

166. On the other hand, all scenarios of Lasco Supermarket and Scenarios 1⁵⁰ and 2 of Trolees Supermarket have a post-concentration HHI above 2000 and a delta below 150.

⁴⁸ See Merger Assessment Guidelines, a joint publication of the Competition Commission and the Office of Fair Trading (OFT1254, September 2010 CC2 Revised), paragraph 5.3.5.

⁴⁹ See Guidelines on the assessment of horizontal mergers under the Council Regulation on the control of concentrations between undertakings (Official Journal C 031, 05/02/2004 P.0005-0018), paragraph 20.

⁵⁰ Threshold value is only exceeded marginally.

Table 7: Retail Marketing Limited Post-Concentration HHI

	Lasco	Trolees	Valyou Mellieha	Tower	Valyou St. Julian's	Valyou Naxxar	Park Towers St. Venera	Park Towers St. Julian's
SCN 1	3,445.0	2,218.4	3,427.9	1,961.0	1,520.0	1,351.0	1,492.0	1,646.0
SCN 2	2,950.1	2,503.0	3,534.1	1,479.0	1,746.0	1,553.0	1,547.0	1,656.0
SCN 3	2,797.2	1,588.0	3,427.9	1,726.0	1,557.0	1,551.0	1,540.0	1,618.0
SCN 4	2,745.3	1,703.0	3,427.9	1,610.0	1,535.0	1,852.0	1,651.0	1,554.0

Source: Office's Calculations

Table 8: Retail Marketing Limited Post-Concentration Δ HHI

	Lasco	Trolees	Valyou Mellieha	Tower	Valyou St. Julian's	Valyou Naxxar	Park Towers St. Venera	Park Towers St. Julian's
SCN 1	0	155.6	205.3	500.8	135.3	166.7	117.2	147.7
SCN 2	0	110.2	212.2	214.5	96.3	135.0	82.6	131.3
SCN 3	74.5	52.2	205.3	279.0	84.0	134.9	135.2	101.4
SCN 4	72.9	40.3	205.3	128.4	82.7	101.7	117.9	96.3

Source: Office's Calculations

167. While for the scenarios mentioned in paragraphs 168 and 169, the Office opines that the conclusion of whether or not there could be serious risk to an SLC is straightforward since both the post-concentration HHI and respective delta are below the threshold values as set in the Guidelines on the assessment of horizontal mergers under the Council Regulation on the control of concentrations between undertakings, for the remaining scenarios i.e. Scenarios 1-4 of Valyou Mellieha and Scenario 1 and 3 of Tower Supermarket, the Office opines that such conclusions needs to be taken also in relation to the assessment of market shares.

168. Furthermore, as stated in the *Merger Assessment Guidelines* published by the Office of Fair Trading:

*"These thresholds may be most informative for mergers in a market where the product is undifferentiated and **where competition between firms involves firms choosing what volume to supply to the market.** In other cases the significance of these thresholds will be less."*⁵¹

[Emphasis Added]

169. While the Office opines that the proposed concentration includes undifferentiated products to a certain degree, firms choosing what volume to supply to the market is unlikely to be prevalent in this market. As a result, the Office opines that greater weight should be assigned to market shares analysis and number of firms relative to the Herfindahl-Hirschman Index.

⁵¹ See Merger Assessment Guidelines, a joint publication of the Competition Commission and the Office of Fair Trading (OFT1254, September 2010 CC2 Revised), paragraph 5.3.5.

170. As a result, the Office concludes that based on the delineated relevant geographic market and the estimated concentration measures, there is no evidence of potential substantial lessening of competition.

5.5 Product Market

171. The definition of the product market is primarily based on an assessment of demand-side substitutability that takes into consideration aspects related to grocery retailers' Prices, Quality, Range and Service (PQRS). The focus on these four aspects is supported by the outcome of the demand-side survey which shows that more than 75% of respondents consider price, quality, range and service as very important factors when choosing a store for their main grocery shopping.

172. In defining the relevant product market, we also make a distinction between retail grocery stores of different size. Such categorisation is in line with several European cases concerning the market for retail groceries (see Chapter 3) and is also in line with the views expressed by the notifying parties.

173. Based on store size categorisation and the extent of the competitive constraint imposed on the notifying parties in terms of PQRS, each store is classified as either being *within* the relevant product market or *outside* it. The classification based on the PQRS analysis is checked against several headline indicators (such as spend per customer, identification of competitors, etc.) to ensure that the definition of the relevant product market is based on sensible criteria.

Store size

174. The starting point for the product market analysis is the delineation between stores of different size (as measured by the sales area in square meters of each store in Malta). The rationale for considering classification by size is that the customers of grocery retailers may not consider smaller stores to be good substitutes for larger stores because they may not cater for shopping missions that involve a wide range of products.
175. The notifying parties support the classification of stores by size. In their submission, they distinguish between stores with a sales area in excess of 200 square meters and others with a sales area that is smaller. The former category typically includes stores belonging to grocery retailers classified as supermarkets, discounters, and convenience stores. In contrast the stores with a sales area smaller than 200 square meters typically belong to independent grocers, free-standing food specialists and also some convenience stores.
176. The Office is in agreement with a delineation of stores by size based on a threshold of 200 square meters. The distinction by size is also supported by the outcome of the demand-side survey which shows that a significant 65% of respondents do not consider small- and medium-sized stores as good alternatives to large-sized stores for their main grocery shopping.
177. In light of the above, for the purposes of defining the market, we consider all stores with a sales area of 200 square meters or more as potentially forming part of the relevant product market. The computation of market shares at the level of both national and local geographic markets excludes all stores with a sales area that does not meet this threshold.

PQRS analysis

178. The classification of stores with a sales area of 200 square meters or more as either being *within* the relevant product market or *outside* it is based on the PQRS analysis. This involves a review of the characteristics of stores that might lie in the same relevant market in an attempt to predict whether customers would be willing to switch between those stores in the event of changes in the relative prices.
179. We also consider characteristics other than price because, in the market for grocery retailing, customers typically choose between alternative stores by weighting the various store characteristics, such as quality, range and service, including price. Each customer will implicitly rank the various differentiated alternatives according to the extent to which each store's overall combination of attributes and characteristics meets his or her preferences.
180. As noted above, the relevance of the characteristics for the definition of the relevant product market is supported by the results of the demand-side survey. These showed that PQRS characteristics are highly relevant for customers' store choice decisions. Specifically, 76% of respondents consider 'low prices' as very important when choosing a store for their main grocery shopping. Similarly, more than 75% of respondents consider several factors related to the quality and service offered by grocery stores as very important. We elaborate on several of these characteristics below.

Price

181. The rationale for the classification of stores based on 'price' is that any product price which is approximately equal to the price charged by the notifying parties imposes some competitive constraint. The classification is based on an analysis that benchmarks stores' prices with those of a select group of supermarkets that includes the stores of the notifying parties as well as stores that are deemed to be "direct" competitors to the notifying parties. The select group of supermarkets consists of Valyou Supermarket, Smart Supermarket Ltd., Scotts Ltd., Park Towers Supermarket, Lasco Supermarket and Lidl.

182. Specifically, we deem stores to impose a competitive constraint on the notifying parties if at least 30% of their products are within one standard deviation of the average price of the select group of supermarkets. A detailed explanation of the pricing analysis is provided in Box B.

Table 9: Relevant Product Market (classification of stores)

	Price	Range	Service	Relevant Market
Alfsons ENT. Ltd.	Yes	Yes	No	Yes
Arkadia Food Express Axis	No	No	No	No
Arkadia Marketing Ltd. (Swatar)	No	No	No	No
Arkadia Marketing Ltd. (Portomaso)	No	Yes	No	No
Brema Supermarket	Yes	No	No	No
Chain Supermarket (Luqa)	Yes	Yes	Yes	Yes
Chain Supermarket (Fgura)	Yes	Yes	Yes	Yes
Chain Supermarket (Zabbar)	Yes	Yes	Yes	Yes
Chain Supermarket (Tigne)	Yes	Yes	Yes	Yes
Chef Choice	Yes	No	Yes	Yes
CONIMEX	Yes	No	No	No
Cornerfoodstore Co. Ltd.	Yes	No	No	No
E Convenience	Yes	No	No	No
G&G Supermarket	Yes	No	Yes	Yes
Iceland Supermarket (Mosta)	Yes	Yes	Yes	Yes
Iceland Supermarket (Qawra)	Yes	Yes	Yes	Yes
J&L Supermarket	Yes	No	Yes	Yes
JJ Supermarket	Yes	No	No	No
JK Supermarket	Yes	Yes	Yes	Yes
Lasco Supermarket	Yes	Yes	Yes	Yes
Lidl (Ghaxaq)	Yes	No	Yes	Yes
Lidl (Luqa)	Yes	No	Yes	Yes
Lidl (Mosta)	Yes	No	Yes	Yes
Lidl (Qormi)	Yes	No	Yes	Yes
Lidl (Safi)	Yes	No	Yes	Yes
Lidl (San Gwann)	Yes	No	Yes	Yes
Lidl (Santa Venera)	Yes	No	Yes	Yes
Malta Retailing Limited	Yes	No	Yes	Yes
Maypole (Qormi)	No	No	Yes	No
Maypole (Zabbar)	No	No	Yes	No
Maypole (Fgura)	No	No	Yes	No
Maypole (Naxxar)	No	No	Yes	No
Mellieha Holiday Centre	No	No	Yes	No
Miracle Foods Ltd. (Gzira)	No	No	Yes	No
Miracle Foods Ltd. (Mosta)	No	No	Yes	No
Oz Sofra Balkan and Turkish Foodsotre	Yes	No	No	No
PAVI	n/a	n/a	Yes	Yes
PAMA	n/a	n/a	Yes	Yes

Park Towers Supermarkets (St Venera)	Yes	Yes	Yes	Yes
Park Towers Supermarkets (St Julian's)	Yes	Yes	Yes	Yes
Park Towers Supermarkets (Balluta)	Yes	Yes	Yes	Yes
Piscopo's Cash & Carry	Yes	Yes	Yes	Yes
Savewise Discount Store	No	Yes	No	No
Scotts Ltd. (Attard)	Yes	Yes	Yes	Yes
Scotts Ltd. (Naxxar)	Yes	Yes	Yes	Yes
Scotts Ltd. (Burmarrad)	Yes	Yes	Yes	Yes
Scotts Ltd. (St. Lucija)	Yes	Yes	Yes	Yes
Scotts Ltd. (Sliema)	Yes	Yes	Yes	Yes
Scotts Ltd. (Zabbar)	Yes	Yes	Yes	Yes
Smart Supermarket Ltd	Yes	Yes	Yes	Yes
St. Thomas Supermarket	No	No	Yes	No
The Convenience Shop (Ghaxaq)	No	No	No	No
The Convenience Shop (Naxxar)	No	Yes	No	No
The Convenience Shop (Qawra)	No	No	No	No
The Convenience Shop (Rabat)	No	Yes	No	No
The Convenience Shop (Xemxija)	No	Yes	No	No
The Convenience Shop (Zejtun)	No	Yes	No	No
Tower Supermarket (Sliema)	Yes	No	Yes	Yes
Trolees Supermarket	Yes	Yes	Yes	Yes
The Food Market (Valletta)	No	Yes	No	No
Valyou Supermarket (Mellieha)	Yes	n/a	Yes	Yes
Valyou Supermarket (Naxxar)	Yes	n/a	Yes	Yes
Valyou Supermarket (Pendergardens)	Yes	n/a	Yes	Yes
Wembley Store (Valletta)	Yes	No	No	No

Source: RFI; Office's Calculations

183. The results of the pricing analysis are summarised in Table 9. A 'Yes' entry in the 'Price' column indicates that at least 30% of the products sold by the store are within one standard deviation of the average price of the select group of supermarkets. Overall, forty-three out of the sixty-four stores that have a sales area of 200 square meters or bigger are deemed to have imposed some competitive constraint on the notifying parties through their pricing.

Quality

184. For the quality assessment we do not produce a store classification analysis. The reason is that the sixty-four stores that have a sales area of 200 square meters or more typically sell products with similar brands. This means that the products sold by most stores are generally regarded by customers as being of good and/or similar quality.

185. A notable exception is Lidl which only sells a few products with similar brands to those sold by other grocery retailers. Nonetheless, the demand-side survey shows that 93% of Lidl's customers either 'strongly agree' or 'agree' that Lidl's products are of good quality, even though their brands are not well known.⁵² This view is reinforced by the following demand-side survey results:

⁵² It is reassuring to note that the quality comparison to the products sold by other grocery retailers is not being made by customers that shop exclusively at Lidl. In fact, only 34% of Lidl's customers report buying most of their products from Lidl.

- 81.5% of Lidl's customers either 'strongly disagree' or 'disagree' that LIDL's products are of inferior quality to branded products;
- 65.4% of Lidl's customers either 'strongly disagree' or 'disagree' that LIDL's products are of good quality only in certain categories (such as drinks); and
- 94.3% of Lidl's customers either 'strongly agree' or 'agree' that most of LIDL's products are good.

186. On the basis of these results, the Office is of the opinion that quality matters for customers, but most grocery outlets seem to offer good quality products in the eyes of the average customer, including Lidl.

Range

187. The rationale for the classification of stores based on 'range' is that any store that belongs to the same relevant market as that of the notifying parties must offer a range of products that is similar to that offered by the stores owned by the notifying parties. Specifically, stores are deemed to impose a competitive constraint on the notifying parties if their range of products within product groupings (e.g. pasta, vegetables, beer) is at least as much as that offered by the minimum of the notifying parties' stores in at least 50% of these product groupings. A detailed explanation of the product range analysis is provided in Box B.

188. The results of the product range analysis are summarised in Table 9. A 'Yes' entry in the 'Range' column indicates that at least 50% of the range of products within product groupings is at least as much as that offered by the minimum of the notifying parties' stores. Using this measure, we conclude that twenty-eight out of the sixty-four stores that have a sales area of 200 square meters or more imposed some competitive constraint on the notifying parties through the range of their products.

Service

189. The demand-side survey showed that customers care about service (e.g. parking facilities, opening on Sundays, etc.). Hence, grocery stores that belong to the same product market as the notifying parties must offer at least *some* similar services. Specifically, we deem stores to impose a competitive constraint on the notifying parties if they have at least three of a selection of "good-service" characteristics. These good customer service characteristics include parking facilities, opening on a Sunday, toilet facilities, deliveries and pick-ups, discounts, and loyalty schemes. A detailed explanation of the analysis is provided in Box B.

190. The results of the customer service analysis are summarised in Table 9. A 'Yes' entry in the 'Service' column indicates that the store has three or more good service characteristics from those listed above. Overall, forty-five out of the sixty-four stores that have a sales area of 200 square meters or more are deemed to have imposed some competitive constraint on the notifying parties through their service.

Relevant competitor set

191. On the basis of the PQRS analysis, each store is classified as either being *within* the relevant product market or *outside* it. Those stores that impose a competitive constraint in at least two out of the three store characteristics (these being Price, Range and Service) are classified as part of the relevant market.⁵³ The last column of Table 14 summarises the results. Thirty-eight out of the sixty-four stores that have a sales area exceeding (or equal to) 200 square meters are deemed to be part of the relevant product market. It includes the larger supermarkets and Malta's only discounter, Lidl, but excludes convenience stores and some smaller supermarkets.

192. The classification of stores necessarily entailed some degree of subjectivity. To ensure that the classification based on the PQRS analysis yields a sensible outcome, we benchmark it against the classification that we would have likely obtained had we based it on several headline indicators (such as spend per customer, identification of competitors, etc.) that typically differ between stores that belong to different relevant markets. The outcome of this exercise is summarised in Table 10.

Table 10: Indicators by Store Classification

Relevant Market	Turnover 2018 (€)	Food (%)	Expenditure per Customer (€)	Convenience Competition	Supermarkets & Discounters Competition
Yes					
Alfsons ENT. Ltd.	[X]	[X]	[X]	No	Yes
Chain Supermarket (Luqa)	[X]	[X]	[X]	Yes	Yes
Chain Supermarket (Fgura)	[X]	[X]	[X]	Yes	Yes
Chain Supermarket (Zabbar)	[X]	[X]	[X]	Yes	Yes
Chain Supermarket (Tigne)	[X]	[X]	[X]	Yes	Yes
Chef Choice	[X]	[X]	[X]	Yes	Yes
G&G Supermarket	[X]	[X]	[X]	No	Yes
Iceland Supermarket (Mosta)	[X]	[X]	[X]	No	Yes
Iceland Supermarket (Qawra)	[X]	[X]	[X]	No	Yes
J&L Supermarket	[X]	[X]	[X]	No	Yes
JK Supermarket	[X]	[X]	[X]	No	Yes
Lasco Supermarket	[X]	[X]	[X]	No	Yes
Lidl (Ghaxaq)	[X]	[X]	[X]	Yes	Yes
Lidl (Luqa)	[X]	[X]	[X]	Yes	Yes
Lidl (Mosta)	[X]	[X]	[X]	Yes	Yes
Lidl (Qormi)	[X]	[X]	[X]	Yes	Yes
Lidl (Safi)	[X]	[X]	[X]	Yes	Yes
Lidl (San Gwann)	[X]	[X]	[X]	Yes	Yes
Lidl (Santa Venera)	[X]	[X]	[X]	Yes	Yes
Malta Retailing Limited	[X]	[X]	[X]	Yes	No
PAVI	[X]	[X]	[X]	No	Yes
PAMA	[X]	[X]	[X]	No	Yes
Park Towers Supermarkets (St Venera)	[X]	[X]	[X]	Yes	Yes
Park Towers Supermarkets (St Julian's)	[X]	[X]	[X]	Yes	Yes
Park Towers Supermarkets (Balluta)	[X]	[X]	[X]	Yes	Yes
Piscopo's Cash & Carry	[X]	[X]	[X]	No	Yes
Scotts Ltd. (Attard)	[X]	[X]	[X]	No	Yes
Scotts Ltd. (Naxxar)	[X]	[X]	[X]	No	Yes
Scotts Ltd. (Burmarrad)	[X]	[X]	[X]	No	Yes
Scotts Ltd. (St. Lucija)	[X]	[X]	[X]	No	Yes

⁵³ As noted in paragraph 187, since most of the stores with a sales area of 200 square meters or more sell products with similar brands, we do not classify stores on the basis of product brands and quality.

Scotts Ltd. (Sliema)	[X]	[X]	[X]	No	Yes
Scotts Ltd. (Zabbar)	[X]	[X]	[X]	No	Yes
Smart Supermarket Ltd	[X]	[X]	[X]	No	Yes
Tower Supermarket	[X]	[X]	[X]	Yes	Yes
Trolees Supermarket	[X]	[X]	[X]	No	Yes
Valyou Supermarket (Mellieha)	[X]	[X]	[X]	Yes	Yes
Valyou Supermarket (Naxxar)	[X]	[X]	[X]	Yes	Yes
Valyou Supermarket (Pendergardens)	[X]	[X]	[X]	Yes	Yes
No				No	No
Arkadia Food Express Axis	[X]	[X]	[X]	Yes	No
Arkadia Marketing Limited	[X]	[X]	[X]	Yes	No
Arkadia Marketing Ltd	[X]	[X]	[X]	No	Yes
Brema Supermarket	[X]	[X]	[X]	Yes	Yes
CONIMEX	[X]	[X]	[X]	Yes	No
Cornerfoodstore Co Ltd	[X]	[X]	[X]	Yes	Yes
E Convenience	[X]	[X]	[X]	Yes	No
JJ Supermarket	[X]	[X]	[X]	Yes	Yes
Maypole (Qormi)	[X]	[X]	[X]	Yes	Yes
Maypole (Zabbar)	[X]	[X]	[X]	Yes	Yes
Maypole (Fgura)	[X]	[X]	[X]	Yes	Yes
Maypole (Naxxar)	[X]	[X]	[X]	Yes	Yes
Mellieha Holiday Centre	[X]	[X]	[X]	No	Yes
Miracle Foods Ltd. (Gzira)	[X]	[X]	[X]	No	Yes
Miracle Foods Ltd. (Mosta)	[X]	[X]	[X]	No	Yes
Oz Sofra Balkan and Turkish Foodstore	[X]	[X]	[X]	Yes	No
Savewise Discount Store	[X]	[X]	[X]	No	Yes
St. Thomas Supermarket	[X]	[X]	[X]	Yes	No
The Convenience Shop (Ghaxaq)	[X]	[X]	[X]	Yes	No
The Convenience Shop (Naxxar)	[X]	[X]	[X]	Yes	No
The Convenience Shop (Qawra)	[X]	[X]	[X]	Yes	No
The Convenience Shop (Rabat)	[X]	[X]	[X]	Yes	No
The Convenience Shop (Xemxija)	[X]	[X]	[X]	Yes	No
The Convenience Shop (Zejtun)	[X]	[X]	[X]	Yes	No
The Food Market (Valletta)	[X]	[X]	[X]	Yes	No
Wembley Store (Valletta)	[X]	[X]	[X]	Yes	No

Source: RFI; Office's Calculations

193. It shows that the stores which are classified as part of the relevant product market reported a significantly higher average expenditure per customer and a significantly higher annual turnover per store (on average). Furthermore, in the RFI responses, thirty-eight out of the thirty-nine stores that are deemed to be part of the relevant market identified 'supermarkets and discounters' as competitors; compared to only twenty-one that identified 'convenience stores' as their competitors.

194. The responses of those stores that are not included in the relevant market make for similar reading. Twenty-one out of twenty-six identified 'convenience stores' as competitors, and only twelve out of the twenty-six identified 'supermarkets and discounters' as their competitors. The seemingly sensible outcomes suggest that the classification criteria (and the underlying assumptions) used to define the relevant product market are generally sensible.

Conclusion on product market definition

195. Based on the evidence and analysis set out above, we conclude that:
- it is appropriate to delineate between stores of different size;
 - supermarkets owned by the notifying parties are constrained by other supermarkets and discounters; and
 - convenience stores, independent stores and free-standing food specialists do not significantly constrain the notifying parties.
196. The Office therefore concluded that the relevant market consists of stores owned by the following companies: Alfsons ENT. Ltd., Chain Supermarket, Chef Choice, G&G Supermarket, Iceland Supermarket, J&L Supermarket, JK Supermarket, Lasco Supermarket, all of LIDL's stores, Malta Retailing Limited, PAMA, PAVI, Park Towers Supermarkets, Piscopo's Cash & Carry, Scotts Ltd., Tower Supermarket, Trolees Supermarket, and Valyou.

5.6 Re-assessment of the Geographic Market following the conclusions of the Product Market

197. Based on the product market definition, 13 supermarket outlets⁵⁴ which have a gross sales floor area exceeding 200 square meters have been found to have different characteristics based on the Price, Range and Service criteria when compared to the supermarkets of the notifying parties and are therefore not regarded as direct competitors to these supermarkets. As a result, in order to assess how this affects the relevant geographic market, this section replicates the same methodology applied to delineate the relevant geographic market excluding the 13 supermarket outlets. By merging the product and geographic markets, the Office ensures that the assessment of the competitive effects is also undertaken for the most restrictive definition of the relevant market.

National Definition of the Geographic Market

198. When excluding these 13 supermarket outlets from the most restrictive definition of the national market, the market share of the notifying parties increases from [] to []. This is coupled with a post-concentration HHI of 1,778.6 and a delta of 152.9.
199. In line with the Guidelines on the assessment of horizontal mergers under the Council Regulation on the control of concentrations between undertakings, given that the market share of the undertakings concerned does not exceed 25% and that the post-concentration HHI is between 1000 and 2000 coupled with a delta below 250, the Office does not need to carry out an assessment of possible competitive effects (theories of harm) which may arise from this concentration.
200. As a result, the Office concludes that from a national definition perspective, one can safely exclude the possibilities of horizontal competition concerns and therefore does not raise serious doubts of substantial lessening of competition.

⁵⁴ Arkadia FoodExpress (Axis - St. Julian's), Arkadia Portomaso Foodstore, Arkadia FoodExpress (Swatar), Brema Supermarket (Mosta), Corner Foodstore Co. Ltd (Swieqi), Conimex (Attard), JJ Supermarket Ltd (Siggiewi), Mellieha Holiday Centre Supermarket (Mellieha), Miracle Foods Limited (Gzira and Mosta outlets), Savewise Discount Store (Mosta), St. Thomas Supermarket (Marsaskala) and The Food Market (Valletta).

Local Definition of the Geographic Market

201. As highlighted in tables 11 to 13, the same conclusions derived earlier with respect to the local geographic market are also applicable when merging the analysis with the product market. With the exception of scenario 1 of Tower Supermarket, the market shares post-concentration are still estimated to be below the 25% threshold value established in the Guidelines on the assessment of horizontal mergers under the Council Regulation on the control of concentrations between undertakings and also less than the 40% value established in the Merger Assessment Guidelines⁵⁵ in the case of scenario 1 of Tower Supermarket.
202. Furthermore, with the exception of six scenarios out of thirty-two, the post-concentration HHI and delta are well within the thresholds values as found in the guidelines on the assessment of horizontal mergers under the Council Regulation on the control of concentrations between undertakings.
203. As a result, for the same reasons communicated earlier, the Office concludes that based on this analysis, there is no evidence of potential substantial lessening of competition.

Table 11: Market Share of Retail Marketing Limited Post-Concentration – Merging Geographic and Product Markets

	Lasco	Trolees	Valyou Mellieha	Tower	Valyou St. Julian's	Valyou Naxxar	Park Towers St. Venera	Park Towers St. Julian's
SCN 1	[5-10]%	[20-25]%	[20-25]%	[30-35]%	[15-20]%	[15-20]%	[15-20]%	[15-20]%
SCN 2	[5-10]%	[15-20]%	[20-25]%	[20-25]%	[10-15]%	[15-20]%	[10-15]%	[15-20]%
SCN 3	[10-15]%	[10-15]%	[20-25]%	[25-30]%	[10-15]%	[15-20]%	[15-20]%	[15-20]%
SCN 4	[10-15]%	[10-15]%	[20-25]%	[15-20]%	[10-15]%	[10-15]%	[10-15]%	[10-15]%

Source: Office's Calculations

Table 12: Retail Marketing Limited Post-Concentration HHI – Merging Geographic and Product Markets

	Lasco	Trolees	Valyou Mellieha	Tower	Valyou St. Julian's	Valyou Naxxar	Park Towers St. Venera	Park Towers St. Julian's
SCN 1	3,526.0	2,335.9	3,543.2	2,332.0	1,719.0	1,545.3	1,677.0	1,841.0
SCN 2	2,994.9	2,640.0	3,655.1	1,677.0	1,947.0	1,715.2	1,736.0	1,842.0
SCN 3	2,893.4	1,647.0	3,543.2	1,995.0	1,723.0	1,713.0	1,724.0	1,806.0
SCN 4	2,838.6	1,808.0	3,543.2	1,816.0	1,700.0	2,063.0	1,835.0	1,735.0

Source: Office's Calculations

⁵⁵ See Merger Assessment Guidelines, a joint publication of the Competition Commission and the Office of Fair Trading (OFT1254, September 2010 CC2 Revised), paragraph 5.3.5.

Table 13: Retail Marketing Limited Post-Concentration Δ HHI – Merging Geographic and Product Markets

	Lasco	Trolees	Valyou Mellieha	Tower	Valyou St. Julian's	Valyou Naxxar	Park Towers St. Venera	Park Towers St. Julian's
SCN 1	0	164.2	212.3	609.9	154.7	192.9	133.1	167.1
SCN 2	0	116.4	219.7	247.8	108.2	150.1	93.4	147.5
SCN 3	77.1	54.2	212.3	329.3	93.6	149.9	152.4	114.2
SCN 4	75.4	42.8	212.3	146.3	92.3	113.9	131.8	108.4

Source: Office's Calculations

5.7 Conclusion

204. Based on the above assessment, the Office does not feel the need to delve deeper on the theories of harm and assessment of competitive effects since the headline indicators already indicated no threat to an SLC. Concomitantly, the notifying parties highlighted that this concentration is expected to result in improved efficiencies, economies of scale and cost savings which would facilitate improvements in the following areas:

- a. Price and improved competition [✂].
- b. Investment in quality management including professional management structures.
- c. Investment in labour resources through training and improvements in IT systems.
- d. Improved working environment for personnel and investment in higher health and safety standards.
- e. Higher standards for employees, job creations and better financial packages.

205. The highlighted efficiencies further solidify the conclusions of the Office for Competition.

6. Conclusion

206. For the reasons set out in the preceding chapters, the Office for Competition,

Having considered the joint notification of Retail Marketing Limited and Co-op Trading Company Limited, Polrem Limited, S. Borg & Sons Limited, Tower Supermarkets Complex Limited, Valyou Pendergardens Operations Ltd., Belleview Supermarkets Co. Ltd. and Valyou Supermarket Limited pursuant to regulation 5 of the Control of Concentrations Regulations 2002,

Having considered the provisions of the Control of Concentrations Regulations, 2002,

Having considered European case-law,

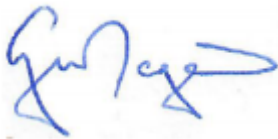
Having regard to all the information and supporting documentation submitted by the parties,

Having regard to the Office's decision of 13 February 2020 to initiate a Phase II investigation on this proposed concentration,

Having given the undertakings concerned the opportunity to make their views known to the Office,

the Director General of the Office for Competition has decided, in terms of regulation 6(1)(ii) of the Control of Concentrations Regulations:

- i. that although the concentration falls within the scope of these Regulations, the Concentration does not raise serious doubts about its lawfulness;
- ii. not to oppose the Concentration; and
- iii. to declare it a lawful Concentration.



Godwin Mangion

Director General of the Office for Competition

APPENDIX A: ASSESSMENT OF PROPOSED CONCENTRATION IN THE GROCERY RETAIL SECTOR - GENERAL SURVEY

Start of Block: CONSENT

Q1.1 Interviewer Identifier Number

Q1.2

Good day, Sir/Madam. Do you prefer to speak in English or Maltese?

Note for Interviewers: DO NOT PROVIDE ANSWERS UNLESS OTHERWISE STATED; KEEP NOTE OF ANY ADDITIONAL INFORMATION WHICH THE RESPONDENT OFFERS. ADD AS NOTES AT THE END OF THE INTERVIEW.

- Maltese (1) - Interviewer to use the MT Questionnaire
- English (2) – Interviewer to use the EN Questionnaire
-

Q1.3

Good morning/afternoon. My name is _____ (**interviewer name**), and I work for M.FSADNI & Associates, an independent market research company. We are conducting a survey with grocery-shoppers on behalf of MCCA (the national Office for Competition) to assess grocery retail trends in Malta. The interview will only take a few minutes. Your telephone number has been selected randomly and you may opt to remain anonymous and we will not ask for your name and contact details.

IF REQUESTED BY RESPONDENT: For more information on this study, you may contact MCCA and ask for Ms Alexia Farrugia (Economics Officer) or send an email on alexia.c.farrugia@mcca.org.mt.

End of Block: CONSENT

Start of Block: DEMOGRAPHICS

Q2.1 Do you decide on your own grocery shopping (e.g. daily necessities, grocery products, dairy products, beverages, detergents, etc.)?

- Yes (1)
- No (2)

NOTE FOR INTERVIEWERS: If respondents say "NO", close the interview.

Q2.2 Which of the age brackets do you fall into please?

- 18-29 (1)
- 30 – 39 (2)
- 40 – 49 (3)
- 50 – 59 (4)
- 60+ (5)
- Refused (99)

NOTE FOR INTERVIEWERS: If respondents say "Refused", close the interview.

Q2.3 What is your gender?

- Male (1)
- Female (2)
- Other (3)
- Refused (99)

NOTE FOR INTERVIEWERS: If respondents say "Refused", close the interview.

Q2.4 Where do you live?

▼ Attard (1) ... Żurrieq (68)
Refused

NOTE FOR INTERVIEWERS: Do not ask question 2.5. This is to be filled in by the interviewer.

Q2.5 Region

- Northern (1)
- Western (2)
- Northern Harbour (3)
- Southern Harbour (4)
- South Eastern (5)
- Refused (99)

Q2.6 Which of the following best describes your current labour status? (READ ANSWERS)

- Student/Trainee (1)
- Employed (2)
- Unemployed (3)
- Housewife/Homemaker (4)
- Retired/ Boarded out (5)
- Inactive (i.e. Not seeking work) (6)

NOTE FOR INTERVIEWERS: Do not ask question 2.7. This is to be filled in by the interviewer. This question is used for Quota purposes.

Q2.7 Employment Status

- Employed
- Unemployed
- Inactive (including students/trainee and pensioners)

Q2.8 What is your nationality?

- Maltese (1)
- Other Nationality (2)
- Refused (99)

End of Block: DEMOGRAPHICS

Start of Block: SUPERMARKET SHOPPING CRITERIA

Q3.1 Do you do your main grocery-shopping from a shop that is in the vicinity of your place of:

a. Residence?

Yes (1)

No (2)

b. Work?

Yes (1)

No (2)

NOTE FOR INTERVIEWERS: If respondents say "Yes" to Q3.1b, ask Question 3.1.b (1). Otherwise ask 3.1.c.

Q3.1.b Where is your place of work located (i.e. name of town/village/city)?

c. Other? Eg. next to gym etc.

Yes (1)

No (2)

Q3.2 How regularly do you do your [main](#) grocery shopping please?

NOTE FOR INTERVIEWERS: Here we are not referring to the daily purchase of a few grocery items.

- 2 to 4 times a week (2)
- Once a week (3)
- Every fortnight (4)
- Once a month (5)
- Once every two months (6)
- Less frequent than every two months (7)

Q3.3 [For your main grocery-shopping](#), do you generally shop from the same supermarket or do you go to other supermarkets/grocery stores as well?

NOTE FOR INTERVIEWERS: By main grocery shopping, we are referring to grocery, detergents, meat, fish, vegetables, etc.

- I always shop from the same supermarket/grocery store (1)
- I shop from different supermarkets/grocery stores (2)

NOTE FOR INTERVIEWERS: *If respondents respond “I always shop from the same supermarket/grocery store”, skip directly to question 4.1. If respondents state “I shop from different supermarkets/grocery stores”, ask question 3.4 and then skip to Question 4.2.*

Q3.4 Which of the following describes the reasons why you purchase from different grocery stores? Interviewer to read out statements – Tick all that apply. (READ ANSWERS)

- I prefer to buy fresh meat from the butcher/frozen specialised (e.g. Miracle Foods)
- I prefer to buy fresh vegetables from the farmer`s market or local vegetable shop/van
- I prefer to buy fish from the fish market or fish specialist store (e.g. Ta` Rita/Azzopardi Fisheries)
- I prefer to buy detergents and cleaning items from a specialised soap shop (e.g. Ta` Ganza, Qormi/Sparkle Image)
- I prefer to buy non-food related items from other shops rather than grocery stores
- Some of goods/brands I like are not found at the same grocery store
- I do not find specific dietary food at the same grocery store (e.g. gluten free etc.)
- Some products are better priced elsewhere
- I do not have any particular preference from which outlet I purchase my grocery
- Other reasons, please mention: _____

End of Block: SUPERMARKET SHOPPING CRITERIA

Start of Block: SUPERMARKET CHOICE

Q4.1 From which supermarket/grocery store, do you do your [main shopping](#) for your groceries? Where is this located?

NOTE FOR INTERVIEWERS: Mark only one answer. Once completed, skip to Q4.5. In case the answer refers to a supermarket chain, kindly circle the location of the retail outlet that applies. Daily shopping should be excluded.

- Arkadia Foodstore: Paceville Portomaso Swatar
- Chain Supermarket: Fgura Tarxien Tigne Point Zabbar
- Greens
- Iceland: Birkirkara Marsascala Mosta Qawra
- Lasco Supermarket
- Lidl Malta: Luqa Mosta Qormi Safi San Gwann Santa Venera Zejtun
- Park Towers: Spinola St Julians Santa Venera
- Pama
- Pavi
- Scotts Supermarket: Attard Burmarrad Fleur-De-Lys Naxxar Santa Lucia
Sliema Zabbar
- Trolees
- Smart Supermarket
- Tower Supermarket
- Valyou: Mellieha Naxxar Pendergardens
- Other _____

Q4.2 From which supermarkets/grocery stores, do you do your [main shopping](#) shop for groceries? Where is this located?

NOTE FOR INTERVIEWERS: In case the answer refers to a supermarket chain, kindly circle the location of the retail outlet that applies.

- Arkadia Foodstore: Paceville Portomaso Swatar
- Chain Supermarket: Fgura Tarxien Tigne Point Zabbar
- Greens
- Iceland: Birkirkara Marsascala Mosta Qawra
- Lasco Supermarket
- Lidl Malta: Luqa Mosta Qormi Safi San Gwann Santa Venera Zejtun
- Park Towers: Spinola St Julians Santa Venera
- Pama
- Pavi
- Scotts Supermarket: Attard Burmarrad Fleur-De-Lys Naxxar Santa Lucia
Sliema Zabbar
- Trolees
- Smart Supermarket
- Tower Supermarket
- Valyou: Mellieha Naxxar Pendergardens
- Other _____
- Other _____
- Other _____

Q4.3 From which supermarkets/grocery stores/vegetable hawker do you do your [main shopping](#) for vegetables? Where is this located?

NOTE FOR INTERVIEWERS: In case the answer refers to a supermarket chain, kindly circle the location of the retail outlet that applies.

- Arkadia Foodstore: Paceville Portomaso Swatar
- Chain Supermarket: Fgura Tarxien Tigne Point Zabbar
- Greens
- Iceland: Birkirkara Marsascula Mosta Qawra
- Lasco Supermarket
- Lidl Malta: Luqa Mosta Qormi Safi San Gwann Santa Venera Zejtun
- Park Towers: Spinola St Julians Santa Venera
- Pama
- Pavi
- Scotts Supermarket: Attard Burmarrad Fleur-De-Lys Naxxar Santa Lucia
Zabbar Sliema
- Trolees
- Smart Supermarket
- Tower Supermarket
- Valyou: Mellieha Naxxar Pendergardens
- Pitkali Market
- Other (Vegetable Hawker) _____
- Other _____

Q4.4 From which supermarkets/grocery stores/local butcher, do you do your **main shopping** for fresh meat? Where is this located?

NOTE FOR INTERVIEWERS: In case the answer refers to a supermarket chain, kindly circle the location of the retail outlet that applies. Kindly note that this excludes frozen packed meat.

- Arkadia Foodstore: Paceville Portomaso Swatar
- Chain Supermarket: Fgura Tarxien Tigne Point Zabbar
- Greens
- Iceland: Birkirkara Marsascala Mosta Qawra
- Lasco Supermarket
- Lidl Malta: Luqa Mosta Qormi Safi San Gwann Santa Venera Zejtun
- Park Towers: Spinola St Julians Santa Venera
- Pama
- Pavi
- Scotts Supermarket: Attard Burmarrad Fleur-De-Lys Naxxar Santa Lucia
Zabbar Sliema
- Trolees
- Smart Supermarket
- Tower Supermarket
- Valyou: Mellieha Naxxar Pendergardens
- Other (local butcher) _____
- Other _____

Q4.5 From which supermarkets/grocery stores, do you shop for your [daily necessities](#) (e.g. bread and milk)? Where is this located?

NOTE FOR INTERVIEWERS: In case the answer refers to a supermarket chain, kindly circle the location of the retail outlet that applies.

- Arkadia Foodstore: Paceville Portomaso Swatar
- Chain Supermarket: Fgura Tarxien Tigne Point Zabbar
- Corner Foodstore _____
- Convenience Shop (Specify Location)
- Greens
- Iceland: Birkirkara Marsascula Mosta Qawra
- Lasco Supermarket
- Lidl Malta: Luqa Mosta Qormi Safi San Gwann Santa Venera Zejtun
- Maypole (Specify Location)
- Park Towers: Spinola St Julians Santa Venera
- Pama
- Pavi
- Scotts Supermarket: Attard Burmarrad Fleur-De-Lys Naxxar Santa Lucia
Zabbar Sliema
- Trolees
- Smart Supermarket
- Tower Supermarket
- Valyou: Mellieha Naxxar Pendergardens

Other _____

Other _____

End of Block: SUPERMARKET CHOICE

Start of Block: SPECIFIC SHOPPING HABITS – THIS SECTION IS TO BE ASKED ONLY TO RESPONDENTS WHO MENTIONED LIDL IN ANY OF QUESTIONS 4.1 – 4.5

NOTE FOR INTERVIEWERS: ASK Q5.1 only to respondents who replied with ‘I shop from different supermarkets/grocery stores’ at Q3.3 and mentioned LIDL in question 4.2-4.5

Q5.1 On a scale of 1 to 5 (1 = Strongly Disagree and 5 = Strongly Agree), how much do you agree with this statement: “Since the entrance of Lidl in Malta in 2008, I started doing my main grocery shopping at different supermarkets/grocery stores.

- Strongly Disagree (1)
- Disagree (2)
- Neither disagree not agree (3)
- Agree (4)
- Strongly Agree (5)
- Don't Know/Not applicable

NOTE FOR INTERVIEWES: If the respondent answered “Strongly Disagree” in the previous question, skip to question 5.3.

Q5.2 On a scale of 1 to 5 (1 = Strongly Disagree and 5 = Strongly Agree), how much do you agree with each of the following statements?

	Strongly Disagree (1)	Disagree (2)	Neither disagree nor agree (3)	Agree (4)	Strongly Agree (5)	Refused (99)	Don't Know/Not Applicable
Certain product categories at Lidl are cheaper than other supermarkets							
Lidl have more variety than other supermarkets							
Lidl's special offers are much more attractive than those of other supermarkets							
Lidl's products are of good quality, even though their brands aren't well known							
Lidl is the closest supermarket to my house							
Low prices are the main reason for me to shop at LIDL							
I buy most of my products from LIDL							
I only go to Lidl for specific products only							
LIDL products are of inferior quality to branded products							
LIDL products are of good quality, but only in certain categories such as drinks							
Most LIDL products are good							
LIDL have the best offers compared to other supermarkets							

Q5.3 On a scale of 1 to 5 (1 = very poor and 5 = very good), how would you rate the quality of the following products at LIDL?

	Very poor (1)	Poor (2)	Average (3)	Good (4)	Very good (5)	I don't buy from this category (99)	Don't Know
Refrigerated items (cheese, milk, butter, etc)							
Fresh Fruit and Vegetables							
Bakery (fresh Bread, etc)							
Food cupboard (tins, condiments, cereal, etc)							
Frozen Food							
Drinks							
Baby products							
Health and Beauty (Toiletries)							
Pet food							
Household detergents (laundry, dishwashing, etc)							
Outdoor Furniture (Gardening tools, tables, chairs, ornaments, plants, etc)							
Small home Appliances (Microwaves, juicers, toasters, blenders, etc)							
Ironmongery items/ tools							

Q5.4 Do you look for brands when shopping for groceries at LIDL?

NOTE FOR INTERVIEWERS: Branded products include well known products such as Barilla, Nescafe, Nutella etc.

- Yes (1)
- No (2)
- Don't Know (99)

Q5.5 Do you consider LIDL to be a discount store?

- Yes (1)
- No (2)
- Don't Know (99)

Q5.6 Suppose that LIDL had to close shop. Which supermarket would you view as the next best alternative for:

- Groceries _____
- Vegetables _____
- Fresh Meat _____
- Daily Needs _____

End of Block: SPECIFIC SHOPPING HABITS

Start of Block: SHOPPING PREFERENCES

Q6.1 Rank in level of importance with 1 being not important at all and 7 being very important indeed, the following factors when choosing a supermarket/grocery store for your [main grocery shopping](#):

	1 – Not important at all	2	3	4	5	6	7 – very important indeed	Refused (99)	Don't Know/Not applicable
Low Prices									
Location									
Customer Service									
Store Layout									
Parking area									
Special offers and deals									
Freshness and variety of Fruit and Vegetables									
Quality and Variety of Delicatessen (Cheese Counter)									
Meat Freshness									
Fish shop availability									
Availability of branded products, such as Nescafe and Barilla									
Attractive reward (loyalty) programs									
Opening hours on a Sunday									

Q6.2 When you do your [main grocery shopping](#), do you view small- and medium-sized stores (e.g. convenience stores, corner shops) as good alternatives to large-sized stores (e.g. Pavi and Valyou)?

- Yes (1)
- No (2)
- Don't know (99)

Q6.3 When you do your [daily grocery necessities shopping](#), do you view large-sized stores (e.g. Pavi and Valyou) as alternatives to small- and medium-sized stores (e.g. convenience stores, corner shops)?

- Yes (1)
- No (2)
- Don't know (99)

Q6.4 Do you do any of your supermarket/grocery shopping online?

- Yes (1)
- No (2)
- Don't remember/refused (99)

NOTE FOR INTERVIEWERS: Skip Q6.5 if “No” is chosen in Questions 6.4

Q6.5 Which product types do you usually purchase online from your supermarket/grocery store?

- Refrigerated items (cheese, milk, butter, etc)
- Fresh Fruit and Vegetables
- Bakery (fresh Bread, etc)
- Food cupboard (tins, condiments, cereal, etc)
- Frozen Food
- Drinks
- Baby
- Health and Beauty (Toiletries)
- Pet food
- Household (laundry, dishwashing, etc)
- Outdoor Furniture (Gardening tools, tables, chairs, ornaments, plants, etc)
- Appliances (Microwaves, juicers, toasters, blenders, etc)
- Ironmongery items

NOTE FOR INTERVIEWERS: Skip Q6.6 & Q6.7 if “Yes” is chosen in Questions 6.4

Q6.6 Would you consider substituting the traditional way of supermarket/grocery shopping with online shopping in the future?

- Yes (1)
- No (2)
- Don't know (99)

Q6.7 For which product classes, would you consider doing your supermarket/grocery shopping online? (READ ANSWERS)

NOTE FOR INTERVIEWERS: Respondents can select more than one

- Refrigerated items (cheese, milk, butter, etc)
- Fresh Fruit and Vegetables
- Bakery (fresh Bread, etc)
- Food cupboard (tins, condiments, cereal, etc)
- Frozen Food
- Drinks
- Baby
- Health and Beauty (Toiletries)
- Pet food
- Household (laundry, dishwashing, etc)
- Outdoor Furniture (Gardening tools, tables, chairs, ornaments, plants, etc)
- Appliances (Microwaves, juicers, toasters, blenders, etc)
- Ironmongery items
- Don't Know

NOTE FOR INTERVIEWERS: Skip Q6.8 if “I shop from different supermarkets/grocery stores” is chosen in Question 3.3. Otherwise skip Q6.9-Q6.11 if “I always shop from the same supermarket/grocery store” is chosen in Question 3.3.

Q6.8 Does your preferred supermarket/grocery store, where you do your [main](#) grocery-shopping, open on Sunday?

- Yes (1)
- No (2)
- Occasionally (3)
- Don't know (99)

Q6.9 Do your preferred supermarkets/grocery stores, where you do your [main](#) grocery-shopping, open on Sunday?

- Yes (1)
- No (2)
- Occasionally (3)
- Don't know (99)

Q6.10 Do your preferred supermarkets/grocery stores for [vegetables](#) open on Sunday?

- Yes (1)
- No (2)
- Occasionally (3)
- Don't know (99)

Q6.11 Do your preferred supermarkets/grocery stores for [fresh meat](#) open on Sunday?

- Yes (1)
- No (2)
- Occasionally (3)
- Don't know (99)

Q6.12 Do your preferred supermarkets/grocery stores for [daily necessities](#) open on Sunday?

- Yes (1)
- No (2)
- Occasionally (3)
- Don't know (99)

Q6.13 What is the maximum driving time you are willing to drive to reach a supermarket/ grocery store of your choice to do your [main](#) grocery-shopping?

- 5 minutes (1)
- 10 minutes (2)
- 15 minutes (3)
- 20 minutes (4)
- 25 minutes (5)
- More than 25 minutes (6) _____
- Don't Know (99)

Q6.14 Would you be willing to change your main grocery outlet if a cheaper outlet opens, even if it requires a 15-minute drive from your home/office?

- Yes (1)
- No (2)
- Don't know (99)

NOTE FOR INTERVIEWERS: Skip Q6.15 if respondent answers "Yes" in Q6.14.

Q6.15 Why would you not switch to this new grocery outlet? Tick all that apply.

- My current grocery outlet is too convenient for me (e.g. close to home) (1)
- Too inconvenient/ too much of a hassle (2)
- I am a loyal customer (3)
- Dislike to change routine (4)
- Cheaper prices are not everything (5)
- Depends on availability of adequate parking (6)
- Other, please specify: (7) _____

End of Block: SHOPPING INFORMATION

Start of Block: Conclusion

Q7.1 In your household (house) what is the total number:

	0 (1)	1 (2)	2 (3)	3 (4)	4 (5)	5 (6)	6 (7)	7 (8)	8 or more (9)	Refused
Of children aged under 16 (1)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Of adults (2)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

NOTE FOR INTERVIEWERS: Ask Q7.2 & 7.3 only if “Other Nationality” is selected in Q2.8.

Q7.2 How long have you been living in Malta?

- Since birth (1)
- For more than five years (2)
- More than one year but less than five years (3)
- Less than one year (4)
- Refused

NOTE FOR INTERVIEWERS: If “Since birth” or “For more than five years” are selected in Q7.2, skip Q7.3.

Q7.3 Do you plan on staying in Malta for, say, the next 5 years?

- Yes (1)
- No (2)
- Don't know (99)

Q7.4 What is your current civil status?

- Married/Civil Union (1)
- Single (2)
- Refused (99)

Q7.5 Which is the highest level of education you have successfully completed? (READ ANSWERS)

- No Schooling (1)
- Primary (2)
- Secondary (3)
- Post Secondary (4)
- Tertiary or Higher (5)
- Refused

On behalf of the Office for Competition, I would like to thank you for your time in responding to our questionnaire. Kindly note that your responses will remain confidential and will only be used for internal purposes only. If you have further comment which you would like to make, please do not hesitate to put them forward.

If not, thank you for your patience and information. Have a good day/evening.

End of Block: CONCLUSION

APPENDIX B: REQUEST FOR INFORMATION - ASSESSMENT OF PROPOSED CONCENTRATION IN THE GROCERY RETAIL SECTOR

Delineating the Market and Establishing Market Shares

1. Does the sales area (i.e. area where products are displayed and sold) of any of the grocery outlets that operate under your grocery chain, where applicable, exceed 180 m²?

*Note for the Respondent: If 'No', kindly provide a NIL reply and end the questionnaire. If any of your grocery outlet/s exceed 180 square meters, kindly respond 'Yes' and continue to answer the below questions. **Kindly note that the questions below should be answered for each grocery outlet exceeding 180 m² (square meters).***

2. List the address of the grocery retail outlet exceeding 180m² for which the data being submitted in this RFI pertains to.
3. List the grocery retail outlets which operate under your grocery chain that exceed 180 m². Information should include a detailed address of each grocery retail outlet.
4. Provide the sales area in square meters (i.e. area where products are displayed and sold) of existing retail outlets that exceed 180 m².
5. With reference to questions 2 and 3, identify any potential future changes in the sales area as a result of potential investments in the pipeline. Investments in acquiring new retail outlets should also be highlighted.
6. For the grocery outlets that exceed 180 m², kindly provide the turnover (net of Value Added Tax) on an annual basis registered by your company in 2017 and in 2018.
7. Kindly segregate this information between food and non-food items. If not available, please provide an idea of the percentage of your sales on food products and the percentage of your sales on non-food products. The category of food items should encompass food and beverages.
8. What is the average sales value spent by the average customer per visit? If not available, kindly provide an estimate. (N.B. Price in Euros (€)).

9. Do you view your outlet as a convenience store, or as a supermarket and discounter?

Note for the Respondent: Convenience stores, convenience shops or corner stores are miniature supermarkets that stock a range of everyday items such as bread, snack foods, groceries, tobacco products, confectionery, etc. Supermarkets and Discounters are self-service shops offering a wide variety of food, beverages and household products, organised into sections. It is larger and has a wider selection than convenience stores, convenience shops or corner stores.

10. Which type of grocery outlets do you consider to be your main competitors?

11. For the following food and beverage products, kindly provide the current selling price.

Note for the Respondent: If the prices are the same across all the grocery retail outlets which operate under your grocery chain, kindly highlight that the prices provided hereunder apply to all the grocery retail outlets. If not, kindly provide separate information for all the grocery retail outlets exceeding 180 square meters.

In case your grocery chain or grocery outlet does not sell any of the products listed hereunder, please provide a 'NIL' reply.

- Elite Low-Fat Tuna Brine (3x160G) - € _____
- Kelloggs Frosties (500G) - € _____
- Nescafe Classic (200G) - € _____
- Jespers White Sliced Bread (600G) - € _____
- Calypso Tomato Ketchup (340G) - € _____
- Devon Cream Crackers Light (200G) - € _____
- Borges Extra Virgin Olive Oil (750ML) - € _____
- Barilla Penne Rigate (1000G) - € _____
- Barilla Vermicelli No. 7 (1000G) - € _____
- Knorr Vegetable Cube (8x80G) - € _____
- Lion Tea Bags (x150) - € _____
- Three Hills Concentrated Tomato Paste (415G) - € _____
- La Doria Polpa Jar (3x700G) - € _____
- Dujardin Baby Carrots (450G) - € _____
- Dewfresh Collar Bacon (200G) - € _____
- Kerrygold Spreadable Butter with Olive Oil (250G) - € _____
- Meadow Lea Original (1000G) - € _____
- Delta Yoghurt (170G) - € _____

- Lamb Auntie's Mix Flour (500G) - € _____
- 7 UP (1.5L) - € _____
- Cisk Lager (500ML) - € _____
- Pepsi 6 Pack (1.5Lts) - € _____
- Evian (1.5Ltr) - € _____
- Pantene Classic Care Shampoo (250ML) - € _____
- Sensodyne Complete (75ML) - € _____
- Lynx Apa Spray Excite (150ML) - € _____
- Fabuloso Pavimenti Freschezza (1L) - € _____
- Parazone Pink Thick Bleach (750ML) - € _____
- Ariel Gel Capsules 3 in 1 Pods 56 Washes - € _____
- Lenor Ultra Floral Romance 42 Washes - € _____

12. Do you sell the following branded groceries? Kindly select those applicable.

Groceries

- a. Cereal - Nestle Fitness Fruit, Alpen Muesli and/or Cameo Vitalis
- b. Tomato Sauce - Lombardi Polpa, Star Polpa and/or Mayor Polpa
- c. Tea - Tetley Tea Bags, PG Tea Bags and/or Lion Tea Bags
- d. Pasta – Barilla, Rummo and/or Alberto Poiatti
- e. Oil – Borges, Fillippo Berio and/or Monini
- f. Ketchup and Sauces – Heinz, HP and/or Kuhne Made for Meat
- g. Crackers and Grissini – Bake Rolls, Croco Crackers and/or Tuc Crackers Original

Frozen

- a. Vegetables – Dujardin, Emborg and/or Ardo
- b. Pasta & Rice – Alberto, Marie and/or MKZ
- c. Pastry Products – Da Vinci, Pasta Royale and/or Iceland

Chilled

- a. Bacon and Sausages – Dewfresh, Fiorucci, Wudy and/or Negroni
- b. Butter and Margarine – Kerrygold, Remia, Meadowlea and/or Lurpak
- c. Cheese – Philadelphia, Arla. Fior Di Vita, Hanini, La vache qui rit and/or Delta
- d. Juices & Smoothies – Innocent FP, Tropicana and/or Pfanner
- e. Yoghurts & Custard – Actimel, Activia, Benecol, Danone and/or Muller

Confectionery

- a. Baking Needs – Betty Crocker, Country, Dr Oetker, Foster Clarks, Rayners and/or Lamb
- b. Biscuits and Cookies – Belvita, Cadbury, Devon, Hellema, Gullon, Oreo and/or Mulino Bianco
- c. Cakes & Croissants – Bauli, 7 Days and/or Tal-Furnar
- d. Nuts & Seeds – Lamb, Lorenz and/or Pellito Snacks & Crisps – Doritos, Kettle Chips, Lorenz Chips, Mr Riley, San Carlo, Pata and/or Tyrrells

Counters

- a. Fresh Bread – Jespers and Golden Harvest

Beverages and Beers

- a. Beers – Bavaria, Becks, Budweiser, Carlsberg, Guinness, Heineken, Stella Artois, Strongbow and Moretti Beer
- b. Ciders – Bulmers, Kopparberg, Maeloc, Somersby and Woodpecker
- c. Ice Tea – Fuzetea, Lipton, Nestea and/or San Benedetto
- d. Soft Drinks and Mixers – San Pellegrino, Schweppes, Fanta and/or Swish
- e. Sports and Energy Drinks – Gatorade, Monster, Red Bull, Shark and/or Veroni
- f. Water Still, Sparkling and Flavored – Bolero, Coolee, Just, Perrier and Rocchetta

Cellar

- a. Spirits – Absolut, Bells, Chivas, Glenfiddich, Johnnie Walker and/or Zeppis
- b. Tobacco and Accessories – Agio, Rizla and/or Toscano
- c. Wine – 35 South, Blue Nun, Canti, Eagle Creek and/or Yellow Tail

Beauty

- a. Deodorants – Adidas, Dove, Lynx, Neutro Roberts, Nivea and/or Tesori
- b. Hair – Elvive, Garnier, H&S, Koleston, Schwarzkopf Gliss, Suave and/or Tresemme
- c. Hand & Body – Carex, Dermomed, Palmolive, Radox, Vidal and/or Tesori
- d. Oral Care – Colgate, Listerine, Oral B, Sensodyne and/or Aquafresh
- e. Sanitary Towles & Tampons – Always, Carefree and/or Tampax
- f. Shaving & Hair Removal – Gillette, Wilkinson Sword and/or Lycia

Health

- a. Dried Fruit, Nuts, Legumes & Seeds – Emys, Goodearth and/or Dragon
- b. Gluten Free – Bonvita, De Bron, Doves Farm, Dr Schar, Rinatura and/or Vita Snack
- c. Organic – Alce Nero, Alpro, Biona, Dr Organic, Gullon, PKK, Valour and/or Whole Earth
- d. Soya and Milk Alternatives – Alpro, Provamel, Torras and/or Valsoia

House

- a. Air Fresheners – Airwick, Glade and/or Voi
- b. Autocare – Areon, Auto Glym and/or Turtle Wax
- c. Cleaning Equipment – Arix, LF and/or Vileda
- d. Laundry – Ariel, Coccolino, Comfort, Fabuloso, Lenor, Soft, Surf and/or Vernel
- e. Toilet Rolls, Kitchen Towels & Napkins – Astral, Scottex and/or Foxy

Pets

- a. Cats and Dogs Food & Supplies - Almo Nature, Princess, Whiskas, Felix and/or Pedigree

13. What is the product breadth in numbers for the oil category?

Note for the Respondent: Product breadth is the variety of product lines that a store offers. The answer should include all different types of oil including sunflower oil, vegetable oil, olive oil, etc.

For example, you sell 4 different brands of sunflower oil all available in two different sizes, 8 different brands of vegetable oil all available in three different sizes, two brands of olive oil both available in one size and one brand of porcini mushroom condiment available in one size.

In case your grocery outlet does not sell this product, please provide a 'NIL' reply.

14. What is the product breadth in numbers for the cereals and cereal bars category?

Note for the Respondent: The answer should include all different types of cereals and cereal bars including those that are chocolate base, muesli, oats, sugar coated, etc.

In case your grocery outlet does not sell this product, please provide a 'NIL' reply.

15. What is the product breadth in numbers for the pasta category?

Note for the Respondent: The answer should include all different types of pasta including egg based, noodles, ready meals, etc.

In case your grocery outlet does not sell this product, please provide a 'NIL' reply.

16. What is the product breadth in numbers for the beers and ciders category?
17. Do you have a health section? If yes, what is the product breadth of the section?
18. Do you have a fresh vegetables section? If yes, what is the product breadth of the section?
19. Is there a fresh vegetable shop / hawker in the vicinity of your grocery retail outlet which can be reached easily on foot?
20. Do you have a fresh meat section? If yes, what is the product breadth of the section?
21. Is there a butcher shop in the vicinity of your grocery retail outlet which can be reached easily on foot?
22. Do you have a fresh fish section? If yes, what is the product breadth of the section?
23. Is there a fresh fish shop / hawker in the vicinity of your grocery retail outlet which can be reached easily on foot?
24. Do you have a deli counter? If yes, what is the product breadth of the cheese section?
25. Do you have a section dedicated to kitchen accessories? If yes, what is the product breadth of this section?

Note for the Respondent: The answer should include all different types of kitchen accessories including baking molds and dishes, glasses, mugs and jars, pots and pans, kettles and coffee percolators, etc.

26. Do you have an ironmongery section? If yes, what is the product breadth of this section?
27. Do you have a section dedicated for pets? If yes, what is the product breadth of this section?
28. Kindly provide details of your weekly opening hours.
29. Do you offer parking facilities? If yes, how many cars can the car park accommodate?
30. Do you have toilet facilities which are accessible to customers?
31. Do you offer online shopping? If in the affirmative, when shopping online, do you offer home deliveries, pick up from store or both?
32. What is the total turnover attributed to online shopping for 2017 and 2018?

33. Do you offer ready-made hot food items e.g. lasagna or meat and poultry hot dishes?

Note for the Respondent: The answer should exclude hot savouries such as cheese cakes, arancini, etc.

34. How many checkout lanes and registers do you have?

35. Do you have a customer support desk?

36. Do you have any loyalty scheme programmes for your regular customers? If yes, kindly provide details.

37. Do you have any coffee shops nearby which customers can enjoy before or after shopping?

38. Do you engage in promotional campaigns? If yes, kindly provide details of such promotional campaigns including the method used, the frequency of such promotional campaigns and the promotional message conveyed.

39. Do you offer any weekly discounts as part of your promotion? If yes, kindly provide details of the type of discounts offered.

Note for the Respondent: Please do not hesitate from providing examples of weekly discounts which your outlet offered in the last month.

APPENDIX C: DELINEATING THE LOCAL GEOGRAPHIC MARKET

Scenario 1 – Lasco Supermarket

Pre-Merger

No	Supermarket	No. of Stores	Revenue Estimate (€000s)	Market Share	Market Share Squared
1	Lasco	1	[✂]	[✂]	[✂]
2	Chain	3	[✂]	[✂]	[✂]
3	Chef's Choice	1	[✂]	[✂]	[✂]
4	Dave's	1	[✂]	[✂]	[✂]
5	LIDL	3	[✂]	[✂]	[✂]
6	Scotts	2	[✂]	[✂]	[✂]
7	SPAR	1	[✂]	[✂]	[✂]
8	St. Thomas Supermarket	1	[✂]	[✂]	[✂]
9	Cassar Bargain Shop	1	[✂]	[✂]	[✂]
	Total Supermarkets	14	[✂]	100.0%	3445

Post-Merger

No	Supermarket	No. of Stores	Revenue Estimate (€000s)	Market Share	Market Share Squared
1	Retail Marketing Limited	1	[✂]	[✂]	[✂]
2	Chain	3	[✂]	[✂]	[✂]
3	Chef's Choice	1	[✂]	[✂]	[✂]
4	Dave's	1	[✂]	[✂]	[✂]
5	LIDL	3	[✂]	[✂]	[✂]
6	Scotts	2	[✂]	[✂]	[✂]
7	SPAR	1	[✂]	[✂]	[✂]
8	St. Thomas Supermarket	1	[✂]	[✂]	[✂]
9	Cassar Bargain Shop	1	[✂]	[✂]	[✂]
	Total Supermarkets	14	[✂]	100.0%	3445

Change in HHI

0

Scenario 2 – Lasco Supermarket

Pre-Merger

No	Supermarket	No. of Stores	Revenue Estimate (€000s)	Market Share	Market Share Squared
1	Lasco	1	[✂]	[✂]	[✂]
2	Chain	3	[✂]	[✂]	[✂]
3	Chef's Choice	1	[✂]	[✂]	[✂]
4	Dave's	1	[✂]	[✂]	[✂]
5	LIDL	4	[✂]	[✂]	[✂]
6	Scotts	2	[✂]	[✂]	[✂]
7	SPAR	1	[✂]	[✂]	[✂]
8	St. Thomas Supermarket	1	[✂]	[✂]	[✂]
9	Cassar Bargain Shop	1	[✂]	[✂]	[✂]
10	PAVI Supermarket	1	[✂]	[✂]	[✂]
	Total Supermarkets	16	[✂]	100.0%	2,950.1

Post-Merger

No	Supermarket	No. of Stores	Revenue Estimate (€000s)	Market Share	Market Share Squared
1	Retail Marketing Limited	1	[✂]	[✂]	[✂]
2	Chain	3	[✂]	[✂]	[✂]
3	Chef's Choice	1	[✂]	[✂]	[✂]
4	Dave's	1	[✂]	[✂]	[✂]
5	LIDL	4	[✂]	[✂]	[✂]
6	Scotts	2	[✂]	[✂]	[✂]
7	SPAR	1	[✂]	[✂]	[✂]
8	St. Thomas Supermarket	1	[✂]	[✂]	[✂]
9	Cassar Bargain Shop	1	[✂]	[✂]	[✂]
10	PAVI Supermarket	1	[✂]	[✂]	[✂]
	Total Supermarkets	16	[✂]	100.0%	2,950.1

Change in HHI

0

Scenario 3 – Lasco Supermarket

Pre-Merger

No	Supermarket	No. of Stores	Revenue Estimate (€000s)	Market Share	Market Share Squared
1	Lasco	1	[X]	[X]	[X]
2	Park Towers	1	[X]	[X]	[X]
3	Chain	3	[X]	[X]	[X]
4	Chef's Choice	1	[X]	[X]	[X]
5	Dave's	1	[X]	[X]	[X]
6	LIDL	5	[X]	[X]	[X]
7	Scotts	3	[X]	[X]	[X]
8	SPAR	1	[X]	[X]	[X]
9	St. Thomas Supermarket	1	[X]	[X]	[X]
10	Cassar Bargain Shop	1	[X]	[X]	[X]
11	PAVI Supermarket	1	[X]	[X]	[X]
12	Gala Centre Supermarket	1	[X]	[X]	[X]
13	Arkadia Marketing Ltd	1	[X]	[X]	[X]
	Total Supermarkets	21	[X]	100.0%	2,722.7

Post-Merger

No	Supermarket	No. of Stores	Revenue Estimate (€000s)	Market Share	Market Share Squared
1	Retail Marketing Limited	2	[X]	[X]	[X]
2	Chain	3	[X]	[X]	[X]
3	Chef's Choice	1	[X]	[X]	[X]
4	Dave's	1	[X]	[X]	[X]
5	LIDL	5	[X]	[X]	[X]
6	Scotts	3	[X]	[X]	[X]
7	SPAR	1	[X]	[X]	[X]
8	St. Thomas Supermarket	1	[X]	[X]	[X]
9	Cassar Bargain Shop	1	[X]	[X]	[X]
10	PAVI Supermarket	1	[X]	[X]	[X]
11	Gala Centre Supermarket	1	[X]	[X]	[X]
12	Arkadia Marketing Ltd	1	[X]	[X]	[X]
	Total Supermarkets	21	[X]	100.0%	2,797.2

Change in HHI

74.5

Scenario 4 – Lasco Supermarket

Pre-Merger

No	Supermarket	No. of Stores	Revenue Estimate (€000s)	Market Share	Market Share Squared
1	Lasco	1	[✂]	[✂]	[✂]
2	Park Towers	1	[✂]	[✂]	[✂]
3	Chain	3	[✂]	[✂]	[✂]
4	Chef's Choice	1	[✂]	[✂]	[✂]
5	Dave's	2	[✂]	[✂]	[✂]
6	LIDL	5	[✂]	[✂]	[✂]
7	Scotts	3	[✂]	[✂]	[✂]
8	SPAR	1	[✂]	[✂]	[✂]
9	St. Thomas Supermarket	1	[✂]	[✂]	[✂]
10	Cassar Bargain Shop	1	[✂]	[✂]	[✂]
11	PAVI Supermarket	1	[✂]	[✂]	[✂]
12	Arkadia Marketing Ltd	1	[✂]	[✂]	[✂]
	Total Supermarkets	21	[✂]	100.0%	2,672.4

Post-Merger

No	Supermarket	No. of Stores	Revenue Estimate (€000s)	Market Share	Market Share Squared
1	Retail Marketing Limited	2	[✂]	[✂]	[✂]
2	Chain	3	[✂]	[✂]	[✂]
3	Chef's Choice	1	[✂]	[✂]	[✂]
4	Dave's	2	[✂]	[✂]	[✂]
5	LIDL	5	[✂]	[✂]	[✂]
6	Scotts	3	[✂]	[✂]	[✂]
7	SPAR	1	[✂]	[✂]	[✂]
8	St. Thomas Supermarket	1	[✂]	[✂]	[✂]
9	Cassar Bargain Shop	1	[✂]	[✂]	[✂]
10	PAVI Supermarket	1	[✂]	[✂]	[✂]
11	Arkadia Marketing Ltd	1	[✂]	[✂]	[✂]
	Total Supermarkets	21	[✂]	100.0%	2,745.3

Change in HHI

72.9

Scenario 1 – Trolees Supermarket

Pre-Merger

No	Supermarket	No. of Stores	Revenue Estimate (€000s)	Market Share	Market Share Squared
1	Trolees	1	[✂]	[✂]	[✂]
2	Valyou Supermarket	2	[✂]	[✂]	[✂]
3	Greens Supermarket	1	[✂]	[✂]	[✂]
4	Iceland Store	2	[✂]	[✂]	[✂]
5	LIDL	1	[✂]	[✂]	[✂]
6	Miracle Foods Limited	1	[✂]	[✂]	[✂]
7	Piscopo's Cash and Carry	1	[✂]	[✂]	[✂]
8	Savemart Supermarket	1	[✂]	[✂]	[✂]
9	Savewise Supermarket	1	[✂]	[✂]	[✂]
10	Scotts	2	[✂]	[✂]	[✂]
11	Vella Supermarket	1	[✂]	[✂]	[✂]
	Total Supermarkets	14	[✂]	100.0%	2,062.9

Post-Merger

No	Supermarket	No. of Stores	Revenue Estimate (€000s)	Market Share	Market Share Squared
1	Retail Marketing Limited	3	[✂]	[✂]	[✂]
2	Greens Supermarket	1	[✂]	[✂]	[✂]
3	Iceland Store	2	[✂]	[✂]	[✂]
4	LIDL	1	[✂]	[✂]	[✂]
5	Miracle Foods Limited	1	[✂]	[✂]	[✂]
6	Piscopo's Cash and Carry	1	[✂]	[✂]	[✂]
7	Savemart Supermarket	1	[✂]	[✂]	[✂]
8	Savewise Supermarket	1	[✂]	[✂]	[✂]
9	Scotts	2	[✂]	[✂]	[✂]
10	Vella Supermarket	1	[✂]	[✂]	[✂]
	Total Supermarkets	14	[✂]	100.0%	2,218.4

Change in HHI

155.6

Scenario 2 – Trolees Supermarket

Pre-Merger

No	Supermarket	No. of Stores	Revenue Estimate (€000s)	Market Share	Market Share Squared
1	Trolees	1	[✂]	[✂]	[✂]
2	Valyou Supermarket	2	[✂]	[✂]	[✂]
3	Brema Supermarket	1	[✂]	[✂]	[✂]
4	Iceland Store	2	[✂]	[✂]	[✂]
5	LIDL	1	[✂]	[✂]	[✂]
6	Miracle Foods Limited	1	[✂]	[✂]	[✂]
7	PAMA Supermarket	1	[✂]	[✂]	[✂]
8	Piscopo's Cash and Carry	1	[✂]	[✂]	[✂]
9	Savewise Supermarket	1	[✂]	[✂]	[✂]
10	Scotts	2	[✂]	[✂]	[✂]
11	Vella Supermarket	1	[✂]	[✂]	[✂]
	Total Supermarkets	14	[✂]	100.0%	2,393

Post-Merger

No	Supermarket	No. of Stores	Revenue Estimate (€000s)	Market Share	Market Share Squared
1	Retail Marketing Limited	3	[✂]	[✂]	[✂]
2	Brema Supermarket	1	[✂]	[✂]	[✂]
3	Iceland Store	2	[✂]	[✂]	[✂]
4	LIDL	1	[✂]	[✂]	[✂]
5	Miracle Foods Limited	1	[✂]	[✂]	[✂]
6	PAMA Supermarket	1	[✂]	[✂]	[✂]
7	Piscopo's Cash and Carry	1	[✂]	[✂]	[✂]
8	Savewise Supermarket	1	[✂]	[✂]	[✂]
9	Scotts	2	[✂]	[✂]	[✂]
10	Vella Supermarket	1	[✂]	[✂]	[✂]
	Total Supermarkets	14	[✂]	100.0%	2,503

Change in HHI

110.2

Scenario 3 – Trolees Supermarket

Pre-Merger

No	Supermarket	No. of Stores	Revenue Estimate (€000s)	Market Share	Market Share Squared
1	Trolees	1	[✂]	[✂]	[✂]
2	Valyou Supermarket	2	[✂]	[✂]	[✂]
3	Brema Supermarket	1	[✂]	[✂]	[✂]
4	Greens Supermarket	1	[✂]	[✂]	[✂]
5	Iceland Store	2	[✂]	[✂]	[✂]
6	JK Supermarket	1	[✂]	[✂]	[✂]
7	LIDL	1	[✂]	[✂]	[✂]
8	Miracle Foods Limited	1	[✂]	[✂]	[✂]
9	PAMA Supermarket	1	[✂]	[✂]	[✂]
10	Piscopo's Cash and Carry	1	[✂]	[✂]	[✂]
11	Savemart Supermarket	1	[✂]	[✂]	[✂]
12	Savewise Supermarket	1	[✂]	[✂]	[✂]
13	Scotts	2	[✂]	[✂]	[✂]
14	Smart Supermarket	1	[✂]	[✂]	[✂]
15	Vella Supermarket	1	[✂]	[✂]	[✂]
	Total Supermarkets	18	[✂]	100.0%	1,536

Post-Merger

No	Supermarket	No. of Stores	Revenue Estimate (€000s)	Market Share	Market Share Squared
1	Retail Marketing Limited	3	[✂]	[✂]	[✂]
2	Brema Supermarket	1	[✂]	[✂]	[✂]
3	Greens Supermarket	1	[✂]	[✂]	[✂]
4	Iceland Store	2	[✂]	[✂]	[✂]
5	JK Supermarket	1	[✂]	[✂]	[✂]
6	LIDL	1	[✂]	[✂]	[✂]
7	Miracle Foods Limited	1	[✂]	[✂]	[✂]
8	PAMA Supermarket	1	[✂]	[✂]	[✂]
9	Piscopo's Cash and Carry	1	[✂]	[✂]	[✂]
10	Savemart Supermarket	1	[✂]	[✂]	[✂]
11	Savewise Supermarket	1	[✂]	[✂]	[✂]
12	Scotts	2	[✂]	[✂]	[✂]
13	Smart Supermarket	1	[✂]	[✂]	[✂]
14	Vella Supermarket	1	[✂]	[✂]	[✂]
	Total Supermarkets	18	[✂]	100.0%	1,588

Change in HHI

52.2

Scenario 4 – Trolees Supermarket

Pre-Merger

No	Supermarket	No. of Stores	Revenue Estimate (€000s)	Market Share	Market Share Squared
1	Trolees	1	[✂]	[✂]	[✂]
2	Valyou Supermarket	2	[✂]	[✂]	[✂]
3	Brema Supermarket	1	[✂]	[✂]	[✂]
4	Corner Foodstore	1	[✂]	[✂]	[✂]
5	Greens Supermarket	1	[✂]	[✂]	[✂]
6	Iceland Store	2	[✂]	[✂]	[✂]
7	J&L Supermarket	1	[✂]	[✂]	[✂]
8	JK Supermarket	1	[✂]	[✂]	[✂]
9	LIDL	2	[✂]	[✂]	[✂]
10	Miracle Foods Limited	1	[✂]	[✂]	[✂]
11	PAMA Supermarket	1	[✂]	[✂]	[✂]
12	Piscopo's Cash and Carry	1	[✂]	[✂]	[✂]
13	Savemart Supermarket	1	[✂]	[✂]	[✂]
14	Savewise Supermarket	1	[✂]	[✂]	[✂]
15	Scotts	2	[✂]	[✂]	[✂]
16	Smart Supermarket	1	[✂]	[✂]	[✂]
17	Vella Supermarket	1	[✂]	[✂]	[✂]
	Total Supermarkets	21	[✂]	100.0%	1,663

Post-Merger

No	Supermarket	No. of Stores	Revenue Estimate (€000s)	Market Share	Market Share Squared
1	Retail Marketing Limited	3	[✂]	[✂]	[✂]
2	Brema Supermarket	1	[✂]	[✂]	[✂]
3	Corner Foodstore	1	[✂]	[✂]	[✂]
4	Greens Supermarket	1	[✂]	[✂]	[✂]
5	Iceland Store	2	[✂]	[✂]	[✂]
6	J&L Supermarket	1	[✂]	[✂]	[✂]
7	JK Supermarket	1	[✂]	[✂]	[✂]
8	LIDL	2	[✂]	[✂]	[✂]
10	Miracle Foods Limited	1	[✂]	[✂]	[✂]
11	PAMA Supermarket	1	[✂]	[✂]	[✂]
12	Piscopo's Cash and Carry	1	[✂]	[✂]	[✂]
13	Savemart Supermarket	1	[✂]	[✂]	[✂]
14	Savewise Supermarket	1	[✂]	[✂]	[✂]
15	Scotts	2	[✂]	[✂]	[✂]
16	Smart Supermarket	1	[✂]	[✂]	[✂]
17	Vella Supermarket	1	[✂]	[✂]	[✂]
	Total Supermarkets	21	[✂]	100.0%	1,703

Change in HHI

40.3

Scenario 1 – Valyou Supermarket (Mellieha)

Pre-Merger

No	Supermarket	No. of Stores	Revenue Estimate (€000s)	Market Share	Market Share Squared
1	Valyou Supermarket	1	[✂]	[✂]	[✂]
2	Trolees Supermarket	1	[✂]	[✂]	[✂]
3	Iceland Store	2	[✂]	[✂]	[✂]
4	J&L Supermarket	1	[✂]	[✂]	[✂]
5	LIDL	1	[✂]	[✂]	[✂]
6	Mellieha Holiday Centre	1	[✂]	[✂]	[✂]
7	Piscopo's Cash and Carry	1	[✂]	[✂]	[✂]
8	Scotts	1	[✂]	[✂]	[✂]
9	Vella Supermarket	1	[✂]	[✂]	[✂]
	Total Supermarkets	10	[✂]	100.0%	3,222.6

Post-Merger

No	Supermarket	No. of Stores	Revenue Estimate (€000s)	Market Share	Market Share Squared
1	Retail Marketing Limited	2	[✂]	[✂]	[✂]
2	Iceland Store	2	[✂]	[✂]	[✂]
3	J&L Supermarket	1	[✂]	[✂]	[✂]
4	LIDL	1	[✂]	[✂]	[✂]
5	Mellieha Holiday Centre	1	[✂]	[✂]	[✂]
6	Piscopo's Cash and Carry	1	[✂]	[✂]	[✂]
7	Scotts	1	[✂]	[✂]	[✂]
8	Vella Supermarket	1	[✂]	[✂]	[✂]
	Total Supermarkets	10	[✂]	100.0%	3,427.9

Change in HHI

205.3

Scenario 2 – Valyou Supermarket (Mellieha)

Pre-Merger

No	Supermarket	No. of Stores	Revenue Estimate (€000s)	Market Share	Market Share Squared
1	Valyou Supermarket	1	[✂]	[✂]	[✂]
2	Trolees Supermarket	1	[✂]	[✂]	[✂]
3	Iceland Store	1	[✂]	[✂]	[✂]
4	J&L Supermarket	1	[✂]	[✂]	[✂]
5	LIDL	1	[✂]	[✂]	[✂]
6	Mellieha Holiday Centre	1	[✂]	[✂]	[✂]
7	Piscopo's Cash and Carry	1	[✂]	[✂]	[✂]
8	Scotts	1	[✂]	[✂]	[✂]
9	Vella Supermarket	1	[✂]	[✂]	[✂]
	Total Supermarkets	9	[✂]	100.0%	3,321.9

Post-Merger

No	Supermarket	No. of Stores	Revenue Estimate (€000s)	Market Share	Market Share Squared
1	Retail Marketing Limited	2	[✂]	[✂]	[✂]
2	Iceland Store	1	[✂]	[✂]	[✂]
3	J&L Supermarket	1	[✂]	[✂]	[✂]
4	LIDL	1	[✂]	[✂]	[✂]
5	Mellieha Holiday Centre	1	[✂]	[✂]	[✂]
6	Piscopo's Cash and Carry	1	[✂]	[✂]	[✂]
7	Scotts	1	[✂]	[✂]	[✂]
8	Vella Supermarket	1	[✂]	[✂]	[✂]
	Total Supermarkets	9	[✂]	100.0%	3,534.1

Change in HHI

212.2

Scenario 3 – Valyou Supermarket (Mellieha)

Pre-Merger

No	Supermarket	No. of Stores	Revenue Estimate (€000s)	Market Share	Market Share Squared
1	Valyou Supermarket	1	[X]	[X]	[X]
2	Trolees Supermarket	1	[X]	[X]	[X]
3	Iceland Store	2	[X]	[X]	[X]
4	J&L Supermarket	1	[X]	[X]	[X]
5	LIDL	1	[X]	[X]	[X]
6	Mellieha Holiday Centre	1	[X]	[X]	[X]
7	Piscopo's Cash and Carry	1	[X]	[X]	[X]
8	Scotts	1	[X]	[X]	[X]
9	Vella Supermarket	1	[X]	[X]	[X]
	Total Supermarkets	10	[X]	100.0%	3,222.6

Post-Merger

No	Supermarket	No. of Stores	Revenue Estimate (€000s)	Market Share	Market Share Squared
1	Retail Marketing Limited	2	[X]	[X]	[X]
2	Iceland Store	2	[X]	[X]	[X]
3	J&L Supermarket	1	[X]	[X]	[X]
4	LIDL	1	[X]	[X]	[X]
5	Mellieha Holiday Centre	1	[X]	[X]	[X]
6	Piscopo's Cash and Carry	1	[X]	[X]	[X]
7	Scotts	1	[X]	[X]	[X]
8	Vella Supermarket	1	[X]	[X]	[X]
	Total Supermarkets	10	[X]	100.0%	3,427.9

Change in HHI

205.3

Scenario 4 – Valyou Supermarket (Mellieha)

Pre-Merger

No	Supermarket	No. of Stores	Revenue Estimate (€000s)	Market Share	Market Share Squared
1	Valyou Supermarket	1	[✂]	[✂]	[✂]
2	Trolees Supermarket	1	[✂]	[✂]	[✂]
3	Iceland Store	2	[✂]	[✂]	[✂]
4	J&L Supermarket	1	[✂]	[✂]	[✂]
5	LIDL	1	[✂]	[✂]	[✂]
6	Mellieha Holiday Centre	1	[✂]	[✂]	[✂]
7	Piscopo's Cash and Carry	1	[✂]	[✂]	[✂]
8	Scotts	1	[✂]	[✂]	[✂]
9	Vella Supermarket	1	[✂]	[✂]	[✂]
	Total Supermarkets	10	[✂]	100.0%	3,222.6

Post-Merger

No	Supermarket	No. of Stores	Revenue Estimate (€000s)	Market Share	Market Share Squared
1	Retail Marketing Limited	2	[✂]	[✂]	[✂]
2	Iceland Store	2	[✂]	[✂]	[✂]
3	J&L Supermarket	1	[✂]	[✂]	[✂]
4	LIDL	1	[✂]	[✂]	[✂]
5	Mellieha Holiday Centre	1	[✂]	[✂]	[✂]
6	Piscopo's Cash and Carry	1	[✂]	[✂]	[✂]
7	Scotts	1	[✂]	[✂]	[✂]
8	Vella Supermarket	1	[✂]	[✂]	[✂]
	Total Supermarkets	10	[✂]	100.0%	3,427.9

Change in HHI

205.3

Scenario 1 – Tower Supermarket

Pre-Merger

No	Supermarket	No. of Stores	Revenue Estimate (€000s)	Market Share	Market Share Squared
1	Valyou Group	3	[✂]	[✂]	[✂]
2	Park Towers	2	[✂]	[✂]	[✂]
3	A.D. Supermarket	1	[✂]	[✂]	[✂]
4	Arkadia	3	[✂]	[✂]	[✂]
5	Chain Supermarket	1	[✂]	[✂]	[✂]
6	Corner Foodstore	1	[✂]	[✂]	[✂]
7	Gala Centre Supermarket	1	[✂]	[✂]	[✂]
8	Greens Supermarket	1	[✂]	[✂]	[✂]
9	JK Supermarket	1	[✂]	[✂]	[✂]
10	LIDL Malta	2	[✂]	[✂]	[✂]
11	Miracle Foods Limited	1	[✂]	[✂]	[✂]
12	Q Market	1	[✂]	[✂]	[✂]
13	Savemart Supermarket	1	[✂]	[✂]	[✂]
14	Scotts	2	[✂]	[✂]	[✂]
15	SPAR	1	[✂]	[✂]	[✂]
16	Vegimania	1	[✂]	[✂]	[✂]
	Total Supermarkets	23	[✂]	100.0%	1,460

Post-Merger

No	Supermarket	No. of Stores	Revenue Estimate (€000s)	Market Share	Market Share Squared
1	Retail Marketing Limited	5	[✂]	[✂]	[✂]
2	A.D. Supermarket	1	[✂]	[✂]	[✂]
3	Arkadia	3	[✂]	[✂]	[✂]
4	Chain Supermarket	1	[✂]	[✂]	[✂]
5	Corner Foodstore	1	[✂]	[✂]	[✂]
6	Gala Centre Supermarket	1	[✂]	[✂]	[✂]
7	Greens Supermarket	1	[✂]	[✂]	[✂]
8	JK Supermarket	1	[✂]	[✂]	[✂]
9	LIDL Malta	2	[✂]	[✂]	[✂]
10	Miracle Foods Limited	1	[✂]	[✂]	[✂]
11	Q Market	1	[✂]	[✂]	[✂]
12	Savemart Supermarket	1	[✂]	[✂]	[✂]
13	Scotts	2	[✂]	[✂]	[✂]
14	SPAR	1	[✂]	[✂]	[✂]
15	Vegimania	1	[✂]	[✂]	[✂]
	Total Supermarkets	23	[✂]	100.0%	1,961

Change in HHI

500.8

Scenario 2 – Tower Supermarket

Pre-Merger

No	Supermarket	No. of Stores	Revenue Estimate (€000s)	Market Share	Market Share Squared
1	Valyou Group	3	[✂]	[✂]	[✂]
2	Park Towers	2	[✂]	[✂]	[✂]
3	A.D. Supermarket	1	[✂]	[✂]	[✂]
4	Arkadia	4	[✂]	[✂]	[✂]
5	Chain Supermarket	1	[✂]	[✂]	[✂]
6	Corner Foodstore	1	[✂]	[✂]	[✂]
7	Gala Centre Supermarket	1	[✂]	[✂]	[✂]
8	Greens Supermarket	1	[✂]	[✂]	[✂]
9	JK Supermarket	1	[✂]	[✂]	[✂]
10	LIDL Malta	3	[✂]	[✂]	[✂]
11	Miracle Foods Limited	1	[✂]	[✂]	[✂]
12	PAVI Supermarket	1	[✂]	[✂]	[✂]
13	Q Market	1	[✂]	[✂]	[✂]
14	Savemart Supermarket	1	[✂]	[✂]	[✂]
15	Scotts	3	[✂]	[✂]	[✂]
16	Smart Supermarket	1	[✂]	[✂]	[✂]
17	SPAR	1	[✂]	[✂]	[✂]
18	Vegimania	1	[✂]	[✂]	[✂]
	Total Supermarkets	28	[✂]	100.0%	1,264

Post-Merger

No	Supermarket	No. of Stores	Revenue Estimate (€000s)	Market Share	Market Share Squared
1	Retail Marketing Limited	5	[X]	[X]	[X]
2	A.D. Supermarket	1	[X]	[X]	[X]
3	Arkadia Marketing Ltd	4	[X]	[X]	[X]
4	Chain Supermarket	1	[X]	[X]	[X]
5	Corner Foodstore	1	[X]	[X]	[X]
6	Gala Centre Supermarket	1	[X]	[X]	[X]
7	Greens Supermarket	1	[X]	[X]	[X]
8	JK Supermarket	1	[X]	[X]	[X]
9	LIDL Malta	3	[X]	[X]	[X]
10	Miracle Foods Limited	1	[X]	[X]	[X]
11	PAVI Supermarket	1	[X]	[X]	[X]
12	Q Market	1	[X]	[X]	[X]
13	Savemart Supermarket	1	[X]	[X]	[X]
14	Scotts	3	[X]	[X]	[X]
15	Smart Supermarket	1	[X]	[X]	[X]
16	SPAR	1	[X]	[X]	[X]
17	Vegimania	1	[X]	[X]	[X]
	Total Supermarkets	28	[X]	100.0%	1,479

Change in HHI

214.5

Scenario 3 – Tower Supermarket

Pre-Merger

No	Supermarket	No. of Stores	Revenue Estimate (€000s)	Market Share	Market Share Squared
1	Valyou Group	3	[✂]	[✂]	[✂]
2	Park Towers	2	[✂]	[✂]	[✂]
3	A.D. Supermarket	1	[✂]	[✂]	[✂]
4	Arkadia Marketing Ltd	4	[✂]	[✂]	[✂]
5	Chain Supermarket	1	[✂]	[✂]	[✂]
6	Corner Foodstore	1	[✂]	[✂]	[✂]
7	Gala Centre Supermarket	1	[✂]	[✂]	[✂]
8	Greens Supermarket	1	[✂]	[✂]	[✂]
9	JK Supermarket	1	[✂]	[✂]	[✂]
10	LIDL Malta	3	[✂]	[✂]	[✂]
11	Miracle Foods Limited	1	[✂]	[✂]	[✂]
12	PAVI Supermarket	1	[✂]	[✂]	[✂]
13	Q Market	1	[✂]	[✂]	[✂]
14	Savemart Supermarket	1	[✂]	[✂]	[✂]
15	Scotts	3	[✂]	[✂]	[✂]
16	SPAR	1	[✂]	[✂]	[✂]
17	Vegimania	1	[✂]	[✂]	[✂]
	Total Supermarkets	27	[✂]	100.0%	1,447

Post-Merger

No	Supermarket	No. of Stores	Revenue Estimate (€000s)	Market Share	Market Share Squared
1	Retail Marketing Limited	5	[X]	[X]	[X]
2	A.D. Supermarket	1	[X]	[X]	[X]
3	Arkadia Marketing Ltd	4	[X]	[X]	[X]
4	Chain Supermarket	1	[X]	[X]	[X]
5	Corner Foodstore	1	[X]	[X]	[X]
6	Gala Centre Supermarket	1	[X]	[X]	[X]
7	Greens Supermarket	1	[X]	[X]	[X]
8	JK Supermarket	1	[X]	[X]	[X]
9	LIDL Malta	3	[X]	[X]	[X]
10	Miracle Foods Limited	1	[X]	[X]	[X]
11	PAVI Supermarket	1	[X]	[X]	[X]
12	Q Market	1	[X]	[X]	[X]
13	Savemart Supermarket	1	[X]	[X]	[X]
14	Scotts	3	[X]	[X]	[X]
15	SPAR	1	[X]	[X]	[X]
16	Vegimania	1	[X]	[X]	[X]
	Total Supermarkets	27	[X]	100.0%	1,726

Change in HHI

279.0

Scenario 4 – Tower Supermarket

Pre-Merger

No	Supermarket	No. of Stores	Revenue Estimate (€000s)	Market Share	Market Share Squared
1	Valyou Group	3	[✂]	[✂]	[✂]
2	Park Towers	2	[✂]	[✂]	[✂]
3	A.D. Supermarket	1	[✂]	[✂]	[✂]
4	Arkadia Marketing Ltd	4	[✂]	[✂]	[✂]
5	Brema Supermarket	1	[✂]	[✂]	[✂]
6	Chain Supermarket	2	[✂]	[✂]	[✂]
7	Corner Foodstore	1	[✂]	[✂]	[✂]
8	Gala Centre Supermarket	1	[✂]	[✂]	[✂]
9	Greens Supermarket	1	[✂]	[✂]	[✂]
10	JK Supermarket	1	[✂]	[✂]	[✂]
11	LIDL Malta	4	[✂]	[✂]	[✂]
12	Miracle Foods Limited	1	[✂]	[✂]	[✂]
13	PG Group	2	[✂]	[✂]	[✂]
14	Q Market	1	[✂]	[✂]	[✂]
15	Savemart Supermarket	1	[✂]	[✂]	[✂]
16	Savewise Supermarket	1	[✂]	[✂]	[✂]
17	Scotts	3	[✂]	[✂]	[✂]
18	Smart Supermarket	1	[✂]	[✂]	[✂]
19	SPAR	1	[✂]	[✂]	[✂]
20	Vegimania	1	[✂]	[✂]	[✂]
	Total Supermarkets	33	[✂]	100.0%	1,481

Post-Merger

No	Supermarket	No. of Stores	Revenue Estimate (€000s)	Market Share	Market Share Squared
1	Retail Marketing Limited	5	[✂]	[✂]	[✂]
2	A.D. Supermarket	1	[✂]	[✂]	[✂]
3	Arkadia Marketing Ltd	4	[✂]	[✂]	[✂]
4	Brema Supermarket	1	[✂]	[✂]	[✂]
5	Chain Supermarket	2	[✂]	[✂]	[✂]
6	Corner Foodstore	1	[✂]	[✂]	[✂]
7	Gala Centre Supermarket	1	[✂]	[✂]	[✂]
8	Greens Supermarket	1	[✂]	[✂]	[✂]
9	JK Supermarket	1	[✂]	[✂]	[✂]
10	LIDL Malta	4	[✂]	[✂]	[✂]
11	Miracle Foods Limited	1	[✂]	[✂]	[✂]
12	PG Group	2	[✂]	[✂]	[✂]
13	Q Market	1	[✂]	[✂]	[✂]
14	Savemart Supermarket	1	[✂]	[✂]	[✂]
15	Savewise Supermarket	1	[✂]	[✂]	[✂]
16	Scotts	3	[✂]	[✂]	[✂]
17	Smart Supermarket	1	[✂]	[✂]	[✂]
18	SPAR	1	[✂]	[✂]	[✂]
19	Vegimania	1	[✂]	[✂]	[✂]
	Total Supermarkets	33	[✂]	100.0%	1,610

Change in HHI

128.4

Scenario 1 – Valyou Pendergardens

Pre-Merger

No	Supermarket	No. of Stores	Revenue Estimate (€000s)	Market Share	Market Share Squared
1	Valyou Group	3	[✂]	[✂]	[✂]
2	Park Towers	2	[✂]	[✂]	[✂]
3	A.D. Supermarket	1	[✂]	[✂]	[✂]
4	Arkadia Marketing Ltd	4	[✂]	[✂]	[✂]
5	Brema Supermarket	1	[✂]	[✂]	[✂]
6	Chain Supermarket	1	[✂]	[✂]	[✂]
7	Corner Foodstore	1	[✂]	[✂]	[✂]
8	Gala Centre Supermarket	1	[✂]	[✂]	[✂]
9	Greens Supermarket	1	[✂]	[✂]	[✂]
10	JK Supermarket	1	[✂]	[✂]	[✂]
11	LIDL Malta	3	[✂]	[✂]	[✂]
12	Miracle Foods Limited	1	[✂]	[✂]	[✂]
13	PG Group	2	[✂]	[✂]	[✂]
14	Piscopo Cash and Carry	1	[✂]	[✂]	[✂]
15	Q Market	1	[✂]	[✂]	[✂]
16	Savemart Supermarket	1	[✂]	[✂]	[✂]
17	Savewise Supermarket	1	[✂]	[✂]	[✂]
18	Scotts	4	[✂]	[✂]	[✂]
19	Smart Supermarket	1	[✂]	[✂]	[✂]
20	SPAR	1	[✂]	[✂]	[✂]
21	Vegimania	1	[✂]	[✂]	[✂]
	Total Supermarkets	33	[✂]	100.0%	1,385

Post-Merger

No	Supermarket	No. of Stores	Revenue Estimate (€000s)	Market Share	Market Share Squared
1	Retail Marketing Limited	5	[✂]	[✂]	[✂]
2	A.D. Supermarket	1	[✂]	[✂]	[✂]
3	Arkadia Marketing Ltd	4	[✂]	[✂]	[✂]
4	Brema Supermarket	1	[✂]	[✂]	[✂]
5	Chain Supermarket	1	[✂]	[✂]	[✂]
6	Corner Foodstore	1	[✂]	[✂]	[✂]
7	Gala Centre Supermarket	1	[✂]	[✂]	[✂]
8	Greens Supermarket	1	[✂]	[✂]	[✂]
9	JK Supermarket	1	[✂]	[✂]	[✂]
10	LIDL Malta	3	[✂]	[✂]	[✂]
11	Miracle Foods Limited	1	[✂]	[✂]	[✂]
12	PG Group	2	[✂]	[✂]	[✂]
13	Piscopo Cash and Carry	1	[✂]	[✂]	[✂]
14	Q Market	1	[✂]	[✂]	[✂]
15	Savemart Supermarket	1	[✂]	[✂]	[✂]
16	Savewise Supermarket	1	[✂]	[✂]	[✂]
17	Scotts	4	[✂]	[✂]	[✂]
18	Smart Supermarket	1	[✂]	[✂]	[✂]
19	SPAR	1	[✂]	[✂]	[✂]
20	Vegimania	1	[✂]	[✂]	[✂]
	Total Supermarkets	33	[✂]	100.0%	1,520

Change in HHI

135.3

Scenario 2 – Valyou Pendergardens

Pre-Merger

No	Supermarket	No. of Stores	Revenue Estimate (€000s)	Market Share	Market Share Squared
1	Valyou Group	3	[✂]	[✂]	[✂]
2	Park Towers	2	[✂]	[✂]	[✂]
3	A.D. Supermarket	1	[✂]	[✂]	[✂]
4	Arkadia Marketing Ltd	4	[✂]	[✂]	[✂]
5	Brema Supermarket	1	[✂]	[✂]	[✂]
6	Chain Supermarket	1	[✂]	[✂]	[✂]
7	Corner Foodstore	1	[✂]	[✂]	[✂]
8	Gala Centre Supermarket	1	[✂]	[✂]	[✂]
9	Greens Supermarket	1	[✂]	[✂]	[✂]
10	JK Supermarket	1	[✂]	[✂]	[✂]
11	LIDL Malta	5	[✂]	[✂]	[✂]
12	Miracle Foods Limited	2	[✂]	[✂]	[✂]
13	PG Group	2	[✂]	[✂]	[✂]
14	Piscopo Cash and Carry	1	[✂]	[✂]	[✂]
15	Q Market	1	[✂]	[✂]	[✂]
16	Savemart Supermarket	1	[✂]	[✂]	[✂]
17	Savewise Supermarket	1	[✂]	[✂]	[✂]
18	Scotts	5	[✂]	[✂]	[✂]
19	Smart Supermarket	1	[✂]	[✂]	[✂]
20	SPAR	1	[✂]	[✂]	[✂]
21	Vegimania	1	[✂]	[✂]	[✂]
	Total Supermarkets	37	[✂]	100.0%	1,649

Post-Merger

No	Supermarket	No. of Stores	Revenue Estimate (€000s)	Market Share	Market Share Squared
1	Retail Marketing Limited	5	[✂]	[✂]	[✂]
2	A.D. Supermarket	1	[✂]	[✂]	[✂]
3	Arkadia Marketing Ltd	4	[✂]	[✂]	[✂]
4	Brema Supermarket	1	[✂]	[✂]	[✂]
5	Chain Supermarket	1	[✂]	[✂]	[✂]
6	Corner Foodstore	1	[✂]	[✂]	[✂]
7	Gala Centre Supermarket	1	[✂]	[✂]	[✂]
8	Greens Supermarket	1	[✂]	[✂]	[✂]
9	JK Supermarket	1	[✂]	[✂]	[✂]
10	LIDL Malta	5	[✂]	[✂]	[✂]
11	Miracle Foods Limited	2	[✂]	[✂]	[✂]
12	PG Group	2	[✂]	[✂]	[✂]
13	Piscopo Cash and Carry	1	[✂]	[✂]	[✂]
14	Q Market	1	[✂]	[✂]	[✂]
15	Savemart Supermarket	1	[✂]	[✂]	[✂]
16	Savewise Supermarket	1	[✂]	[✂]	[✂]
17	Scotts	5	[✂]	[✂]	[✂]
18	Smart Supermarket	1	[✂]	[✂]	[✂]
19	SPAR	1	[✂]	[✂]	[✂]
20	Vegimania	1	[✂]	[✂]	[✂]
	Total Supermarkets	37	[✂]	100.0%	1,746

Change in HHI

96.3

Scenario 3 – Valyou Pendergardens

Pre-Merger

No	Supermarket	No. of Stores	Revenue Estimate (€000s)	Market Share	Market Share Squared
1	Valyou Group	3	[✂]	[✂]	[✂]
2	Park Towers	2	[✂]	[✂]	[✂]
3	A.D. Supermarket	1	[✂]	[✂]	[✂]
4	Arkadia Marketing Ltd	4	[✂]	[✂]	[✂]
5	Brema Supermarket	1	[✂]	[✂]	[✂]
6	Chain Supermarket	3	[✂]	[✂]	[✂]
7	Corner Foodstore	1	[✂]	[✂]	[✂]
8	EL Panadero	1	[✂]	[✂]	[✂]
9	G&G Supermarket	1	[✂]	[✂]	[✂]
10	Gala Centre Supermarket	1	[✂]	[✂]	[✂]
11	Greens Supermarket	1	[✂]	[✂]	[✂]
12	Iceland	2	[✂]	[✂]	[✂]
13	JK Supermarket	1	[✂]	[✂]	[✂]
14	LIDL Malta	5	[✂]	[✂]	[✂]
15	Miracle Foods Limited	2	[✂]	[✂]	[✂]
16	PG Group	2	[✂]	[✂]	[✂]
17	Piscopo Cash and Carry	1	[✂]	[✂]	[✂]
18	Q Market	1	[✂]	[✂]	[✂]
19	Savemart Supermarket	1	[✂]	[✂]	[✂]
20	Savewise Supermarket	1	[✂]	[✂]	[✂]
21	Scotts	6	[✂]	[✂]	[✂]
22	Smart Supermarket	1	[✂]	[✂]	[✂]
23	SPAR	1	[✂]	[✂]	[✂]
24	Vegimania	1	[✂]	[✂]	[✂]
	Total Supermarkets	44	[✂]	100.0%	1,473

Post-Merger

No	Supermarket	No. of Stores	Revenue Estimate (€000s)	Market Share	Market Share Squared
1	Retail Marketing Limited	5	[✂]	[✂]	[✂]
2	A.D. Supermarket	1	[✂]	[✂]	[✂]
3	Arkadia Marketing Ltd	4	[✂]	[✂]	[✂]
4	Brema Supermarket	1	[✂]	[✂]	[✂]
5	Chain Supermarket	3	[✂]	[✂]	[✂]
6	Corner Foodstore	1	[✂]	[✂]	[✂]
7	EL Panadero	1	[✂]	[✂]	[✂]
8	G&G Supermarket	1	[✂]	[✂]	[✂]
9	Gala Centre Supermarket	1	[✂]	[✂]	[✂]
10	Greens Supermarket	1	[✂]	[✂]	[✂]
11	Iceland	2	[✂]	[✂]	[✂]
12	JK Supermarket	1	[✂]	[✂]	[✂]
13	LIDL Malta	5	[✂]	[✂]	[✂]
14	Miracle Foods Limited	2	[✂]	[✂]	[✂]
15	PG Group	2	[✂]	[✂]	[✂]
16	Piscopo Cash and Carry	1	[✂]	[✂]	[✂]
17	Q Market	1	[✂]	[✂]	[✂]
18	Savemart Supermarket	1	[✂]	[✂]	[✂]
19	Savewise Supermarket	1	[✂]	[✂]	[✂]
20	Scotts	6	[✂]	[✂]	[✂]
21	Smart Supermarket	1	[✂]	[✂]	[✂]
22	SPAR	1	[✂]	[✂]	[✂]
23	Vegimania	1	[✂]	[✂]	[✂]
	Total Supermarkets	44	[✂]	100.0%	1,557

Change in HHI

84.0

Scenario 4 – Valyou Pendergardens

Pre-Merger

No	Supermarket	No. of Stores	Revenue Estimate (€000s)	Market Share	Market Share Squared
1	Valyou Group	3	[✂]	[✂]	[✂]
2	Park Towers	2	[✂]	[✂]	[✂]
3	A.D. Supermarket	1	[✂]	[✂]	[✂]
4	Arkadia Marketing Ltd	4	[✂]	[✂]	[✂]
5	Brema Supermarket	1	[✂]	[✂]	[✂]
6	Chain Supermarket	3	[✂]	[✂]	[✂]
7	Conimex	1	[✂]	[✂]	[✂]
8	Corner Foodstore	1	[✂]	[✂]	[✂]
9	Daves	1	[✂]	[✂]	[✂]
10	EL Panadero	1	[✂]	[✂]	[✂]
11	G&G Supermarket	1	[✂]	[✂]	[✂]
12	Gala Centre Supermarket	1	[✂]	[✂]	[✂]
13	Greens Supermarket	1	[✂]	[✂]	[✂]
14	Iceland	1	[✂]	[✂]	[✂]
15	JK Supermarket	1	[✂]	[✂]	[✂]
16	LIDL Malta	5	[✂]	[✂]	[✂]
17	Miracle Foods Limited	2	[✂]	[✂]	[✂]
18	PG Group	2	[✂]	[✂]	[✂]
19	Piscopo Cash and Carry	1	[✂]	[✂]	[✂]
20	Q Market	1	[✂]	[✂]	[✂]
21	Savemart Supermarket	1	[✂]	[✂]	[✂]
22	Savewise Supermarket	1	[✂]	[✂]	[✂]
23	Scotts	6	[✂]	[✂]	[✂]
24	Smart Supermarket	1	[✂]	[✂]	[✂]
25	SPAR	1	[✂]	[✂]	[✂]
26	Vegimania	1	[✂]	[✂]	[✂]
	Total Supermarkets	45	[✂]	100.0%	1,452

Post-Merger

No	Supermarket	No. of Stores	Revenue Estimate (€000s)	Market Share	Market Share Squared
1	Retail Marketing Limited	5	[X]	[X]	[X]
2	A.D. Supermarket	1	[X]	[X]	[X]
3	Arkadia Marketing Ltd	4	[X]	[X]	[X]
4	Brema Supermarket	1	[X]	[X]	[X]
5	Chain Supermarket	3	[X]	[X]	[X]
6	Conimex	1	[X]	[X]	[X]
7	Corner Foodstore	1	[X]	[X]	[X]
8	Daves	1	[X]	[X]	[X]
9	EL Panadero	1	[X]	[X]	[X]
10	G&G Supermarket	1	[X]	[X]	[X]
11	Gala Centre Supermarket	1	[X]	[X]	[X]
12	Greens Supermarket	1	[X]	[X]	[X]
13	Iceland	1	[X]	[X]	[X]
14	JK Supermarket	1	[X]	[X]	[X]
15	LIDL Malta	5	[X]	[X]	[X]
16	Miracle Foods Limited	2	[X]	[X]	[X]
17	PG Group	2	[X]	[X]	[X]
18	Piscopo Cash and Carry	1	[X]	[X]	[X]
19	Q Market	1	[X]	[X]	[X]
20	Savemart Supermarket	1	[X]	[X]	[X]
21	Savewise Supermarket	1	[X]	[X]	[X]
22	Scotts	6	[X]	[X]	[X]
23	Smart Supermarket	1	[X]	[X]	[X]
24	SPAR	1	[X]	[X]	[X]
25	Vegimania	1	[X]	[X]	[X]
	Total Supermarkets	45	[X]	100.0%	1,535

Change in HHI

82.7

Scenario 1 – Valyou Naxxar

Pre-Merger

No	Supermarket	No. of Stores	Revenue Estimate (€000s)	Market Share	Market Share Squared
1	Valyou Group	3	[✂]	[✂]	[✂]
2	Park Towers	2	[✂]	[✂]	[✂]
3	Trolees Discount Store	1	[✂]	[✂]	[✂]
4	A.D. Supermarket	1	[✂]	[✂]	[✂]
5	Arkadia Marketing Ltd	4	[✂]	[✂]	[✂]
6	Brema Supermarket	1	[✂]	[✂]	[✂]
7	Chain Supermarket	1	[✂]	[✂]	[✂]
8	Conimex	1	[✂]	[✂]	[✂]
9	Corner Foodstore	1	[✂]	[✂]	[✂]
10	Daves Supermarket	1	[✂]	[✂]	[✂]
11	El Panadero	1	[✂]	[✂]	[✂]
12	G&G Self Service	1	[✂]	[✂]	[✂]
13	Gala Centre Supermarket	1	[✂]	[✂]	[✂]
14	Greens Supermarket	1	[✂]	[✂]	[✂]
15	Iceland Stores	2	[✂]	[✂]	[✂]
16	J&L Supermarket	1	[✂]	[✂]	[✂]
17	JJ Supermarket	1	[✂]	[✂]	[✂]
18	JK Supermarket	1	[✂]	[✂]	[✂]
19	LIDL Malta	3	[✂]	[✂]	[✂]
20	Miracle Foods Limited	2	[✂]	[✂]	[✂]
21	PG Group	2	[✂]	[✂]	[✂]
22	Piscopo Cash and Carry	1	[✂]	[✂]	[✂]
23	Q Market	1	[✂]	[✂]	[✂]
24	Savemart Supermarket	1	[✂]	[✂]	[✂]
25	Savewise Supermarket	1	[✂]	[✂]	[✂]
26	Scotts	6	[✂]	[✂]	[✂]
27	Smart Supermarket	1	[✂]	[✂]	[✂]
28	SPAR	1	[✂]	[✂]	[✂]
29	Vegimania	1	[✂]	[✂]	[✂]
30	Vella Supermarket	1	[✂]	[✂]	[✂]
	Total Supermarkets	46	[✂]	100.0%	1,185

Post-Merger

No	Supermarket	No. of Stores	Revenue Estimate (€000s)	Market Share	Market Share Squared
1	Retail Marketing Limited	6	[X]	[X]	[X]
2	A.D. Supermarket	1	[X]	[X]	[X]
3	Arkadia Marketing Ltd	4	[X]	[X]	[X]
4	Brema Supermarket	1	[X]	[X]	[X]
5	Chain Supermarket	1	[X]	[X]	[X]
6	Conimex	1	[X]	[X]	[X]
7	Corner Foodstore	1	[X]	[X]	[X]
8	Daves Supermarket	1	[X]	[X]	[X]
9	El Panadero	1	[X]	[X]	[X]
10	G&G Self Service	1	[X]	[X]	[X]
11	Gala Centre Supermarket	1	[X]	[X]	[X]
12	Greens Supermarket	1	[X]	[X]	[X]
13	Iceland Stores	2	[X]	[X]	[X]
14	J&L Supermarket	1	[X]	[X]	[X]
15	JJ Supermarket	1	[X]	[X]	[X]
16	JK Supermarket	1	[X]	[X]	[X]
17	LIDL Malta	3	[X]	[X]	[X]
18	Miracle Foods Limited	2	[X]	[X]	[X]
19	PG Group	2	[X]	[X]	[X]
20	Piscopo Cash and Carry	1	[X]	[X]	[X]
21	Q Market	1	[X]	[X]	[X]
22	Savemart Supermarket	1	[X]	[X]	[X]
23	Savewise Supermarket	1	[X]	[X]	[X]
24	Scotts	6	[X]	[X]	[X]
25	Smart Supermarket	1	[X]	[X]	[X]
26	SPAR	1	[X]	[X]	[X]
27	Vegimania	1	[X]	[X]	[X]
28	Vella Supermarket	1	[X]	[X]	[X]
	Total Supermarkets	46	[X]	100.0%	1,351

Change in HHI

166.7

Scenario 2 – Valyou Naxxar

Pre-Merger

No	Supermarket	No. of Stores	Revenue Estimate (€000s)	Market Share	Market Share Squared
1	Valyou Group	3	[✂]	[✂]	[✂]
2	Park Towers	2	[✂]	[✂]	[✂]
3	Trolees Discount Store	1	[✂]	[✂]	[✂]
4	A.D. Supermarket	1	[✂]	[✂]	[✂]
5	Arkadia Marketing Ltd	3	[✂]	[✂]	[✂]
6	Brema Supermarket	1	[✂]	[✂]	[✂]
7	Chain Supermarket	1	[✂]	[✂]	[✂]
8	Conimex	1	[✂]	[✂]	[✂]
9	Corner Foodstore	1	[✂]	[✂]	[✂]
10	Daves Supermarket	1	[✂]	[✂]	[✂]
11	El Panadero	1	[✂]	[✂]	[✂]
12	G&G Self Service	1	[✂]	[✂]	[✂]
13	Gala Centre Supermarket	1	[✂]	[✂]	[✂]
14	Greens Supermarket	1	[✂]	[✂]	[✂]
15	Iceland Stores	2	[✂]	[✂]	[✂]
16	JK Supermarket	1	[✂]	[✂]	[✂]
17	LIDL Malta	4	[✂]	[✂]	[✂]
18	Miracle Foods Limited	2	[✂]	[✂]	[✂]
19	PG Group	2	[✂]	[✂]	[✂]
20	Piscopo Cash and Carry	1	[✂]	[✂]	[✂]
21	Q Market	1	[✂]	[✂]	[✂]
22	Savemart Supermarket	1	[✂]	[✂]	[✂]
23	Savewise Supermarket	1	[✂]	[✂]	[✂]
24	Scotts	6	[✂]	[✂]	[✂]
25	Smart Supermarket	1	[✂]	[✂]	[✂]
26	SPAR	1	[✂]	[✂]	[✂]
27	Vegimania	1	[✂]	[✂]	[✂]
	Total Supermarkets	43	[✂]	100.0%	1,418

Post-Merger

No	Supermarket	No. of Stores	Revenue Estimate (€000s)	Market Share	Market Share Squared
1	Retail Marketing Limited	6	[✂]	[✂]	[✂]
2	A.D. Supermarket	1	[✂]	[✂]	[✂]
3	Arkadia Marketing Ltd	3	[✂]	[✂]	[✂]
4	Brema Supermarket	1	[✂]	[✂]	[✂]
5	Chain Supermarket	1	[✂]	[✂]	[✂]
6	Conimex	1	[✂]	[✂]	[✂]
7	Corner Foodstore	1	[✂]	[✂]	[✂]
8	Daves Supermarket	1	[✂]	[✂]	[✂]
9	El Panadero	1	[✂]	[✂]	[✂]
10	G&G Self Service	1	[✂]	[✂]	[✂]
11	Gala Centre Supermarket	1	[✂]	[✂]	[✂]
12	Greens Supermarket	1	[✂]	[✂]	[✂]
13	Iceland Stores	2	[✂]	[✂]	[✂]
14	JK Supermarket	1	[✂]	[✂]	[✂]
15	LIDL Malta	4	[✂]	[✂]	[✂]
16	Miracle Foods Limited	2	[✂]	[✂]	[✂]
17	PG Group	2	[✂]	[✂]	[✂]
18	Piscopo Cash and Carry	1	[✂]	[✂]	[✂]
19	Q Market	1	[✂]	[✂]	[✂]
20	Savemart Supermarket	1	[✂]	[✂]	[✂]
21	Savewise Supermarket	1	[✂]	[✂]	[✂]
22	Scotts	6	[✂]	[✂]	[✂]
23	Smart Supermarket	1	[✂]	[✂]	[✂]
24	SPAR	1	[✂]	[✂]	[✂]
25	Vegimania	1	[✂]	[✂]	[✂]
	Total Supermarkets	43	[✂]	100.0%	1,553

Change in HHI

135.0

Scenario 3 – Valyou Naxxar

Pre-Merger

No	Supermarket	No. of Stores	Revenue Estimate (€000s)	Market Share	Market Share Squared
1	Valyou Group	3	[X]	[X]	[X]
2	Park Towers	2	[X]	[X]	[X]
3	Trolees Discount Store	1	[X]	[X]	[X]
4	A.D. Supermarket	1	[X]	[X]	[X]
5	Arkadia Marketing Ltd	3	[X]	[X]	[X]
6	Brema Supermarket	1	[X]	[X]	[X]
7	Chain Supermarket	1	[X]	[X]	[X]
8	Conimex	1	[X]	[X]	[X]
9	Corner Foodstore	1	[X]	[X]	[X]
10	Daves Supermarket	1	[X]	[X]	[X]
11	El Panadero	1	[X]	[X]	[X]
12	G&G Self Service	1	[X]	[X]	[X]
13	Gala Centre Supermarket	1	[X]	[X]	[X]
14	Greens Supermarket	1	[X]	[X]	[X]
15	Iceland Stores	2	[X]	[X]	[X]
16	JK Supermarket	1	[X]	[X]	[X]
17	LIDL Malta	4	[X]	[X]	[X]
18	Miracle Foods Limited	2	[X]	[X]	[X]
19	PG Group	2	[X]	[X]	[X]
20	Piscopo Cash and Carry	1	[X]	[X]	[X]
21	Q Market	1	[X]	[X]	[X]
22	Savemart Supermarket	1	[X]	[X]	[X]
23	Savewise Supermarket	1	[X]	[X]	[X]
24	Scotts	6	[X]	[X]	[X]
25	Smart Supermarket	1	[X]	[X]	[X]
26	SPAR	1	[X]	[X]	[X]
27	Vegimania	1	[X]	[X]	[X]
28	Vella Supermarket	1	[X]	[X]	[X]
	Total Supermarkets	44	[X]	100.0%	1,416

Post-Merger

No	Supermarket	No. of Stores	Revenue Estimate (€000s)	Market Share	Market Share Squared
1	Retail Marketing Limited	6	[X]	[X]	[X]
2	A.D. Supermarket	1	[X]	[X]	[X]
3	Arkadia Marketing Ltd	3	[X]	[X]	[X]
4	Brema Supermarket	1	[X]	[X]	[X]
5	Chain Supermarket	1	[X]	[X]	[X]
6	Conimex	1	[X]	[X]	[X]
7	Corner Foodstore	1	[X]	[X]	[X]
8	Daves Supermarket	1	[X]	[X]	[X]
9	El Panadero	1	[X]	[X]	[X]
10	G&G Self Service	1	[X]	[X]	[X]
11	Gala Centre Supermarket	1	[X]	[X]	[X]
12	Greens Supermarket	1	[X]	[X]	[X]
13	Iceland Stores	2	[X]	[X]	[X]
14	JK Supermarket	1	[X]	[X]	[X]
15	LIDL Malta	4	[X]	[X]	[X]
16	Miracle Foods Limited	2	[X]	[X]	[X]
17	PG Group	2	[X]	[X]	[X]
18	Piscopo Cash and Carry	1	[X]	[X]	[X]
19	Q Market	1	[X]	[X]	[X]
20	Savemart Supermarket	1	[X]	[X]	[X]
21	Savewise Supermarket	1	[X]	[X]	[X]
22	Scotts	6	[X]	[X]	[X]
23	Smart Supermarket	1	[X]	[X]	[X]
24	SPAR	1	[X]	[X]	[X]
25	Vegimania	1	[X]	[X]	[X]
26	Vella Supermarket	1	[X]	[X]	[X]
	Total Supermarkets	44	[X]	100.0%	1,551

Change in HHI

134.9

Scenario 4 – Valyou Naxxar

Pre-Merger

No	Supermarket	No. of Stores	Revenue Estimate (€000s)	Market Share	Market Share Squared
1	Valyou Group	3	[✂]	[✂]	[✂]
2	Park Towers	2	[✂]	[✂]	[✂]
3	Trolees Discount Store	1	[✂]	[✂]	[✂]
4	A.D. Supermarket	1	[✂]	[✂]	[✂]
5	Arkadia Marketing Ltd	4	[✂]	[✂]	[✂]
6	Brema Supermarket	1	[✂]	[✂]	[✂]
7	Chain Supermarket	1	[✂]	[✂]	[✂]
8	Conimex	1	[✂]	[✂]	[✂]
9	Corner Foodstore	1	[✂]	[✂]	[✂]
10	Daves Supermarket	1	[✂]	[✂]	[✂]
11	El Panadero	1	[✂]	[✂]	[✂]
12	G&G Self Service	1	[✂]	[✂]	[✂]
13	Gala Centre Supermarket	1	[✂]	[✂]	[✂]
14	Greens Supermarket	1	[✂]	[✂]	[✂]
15	Iceland Stores	2	[✂]	[✂]	[✂]
16	J&L Supermarket	1	[✂]	[✂]	[✂]
17	JJ Supermarket	1	[✂]	[✂]	[✂]
18	JK Supermarket	1	[✂]	[✂]	[✂]
19	LIDL Malta	7	[✂]	[✂]	[✂]
20	Miracle Foods Limited	2	[✂]	[✂]	[✂]
21	PG Group	2	[✂]	[✂]	[✂]
22	Piscopo Cash and Carry	1	[✂]	[✂]	[✂]
23	Q Market	1	[✂]	[✂]	[✂]
24	Savemart Supermarket	1	[✂]	[✂]	[✂]
25	Savewise Supermarket	1	[✂]	[✂]	[✂]
26	Scotts	6	[✂]	[✂]	[✂]
27	Smart Supermarket	1	[✂]	[✂]	[✂]
28	SPAR	1	[✂]	[✂]	[✂]
29	Vegimania	1	[✂]	[✂]	[✂]
30	Vella Supermarket	1	[✂]	[✂]	[✂]
	Total Supermarkets	50	[✂]	100.0%	1,751

Post-Merger

No	Supermarket	No. of Stores	Revenue Estimate (€000s)	Market Share	Market Share Squared
1	Retail Marketing Limited	6	[✂]	[✂]	[✂]
2	A.D. Supermarket	1	[✂]	[✂]	[✂]
3	Arkadia Marketing Ltd	4	[✂]	[✂]	[✂]
4	Brema Supermarket	1	[✂]	[✂]	[✂]
5	Chain Supermarket	1	[✂]	[✂]	[✂]
6	Conimex	1	[✂]	[✂]	[✂]
7	Corner Foodstore	1	[✂]	[✂]	[✂]
8	Daves Supermarket	1	[✂]	[✂]	[✂]
9	El Panadero	1	[✂]	[✂]	[✂]
10	G&G Self Service	1	[✂]	[✂]	[✂]
11	Gala Centre Supermarket	1	[✂]	[✂]	[✂]
12	Greens Supermarket	1	[✂]	[✂]	[✂]
13	Iceland Stores	2	[✂]	[✂]	[✂]
14	J&L Supermarket	1	[✂]	[✂]	[✂]
15	JJ Supermarket	1	[✂]	[✂]	[✂]
16	JK Supermarket	1	[✂]	[✂]	[✂]
17	LIDL Malta	7	[✂]	[✂]	[✂]
18	Miracle Foods Limited	2	[✂]	[✂]	[✂]
19	PG Group	2	[✂]	[✂]	[✂]
20	Piscopo Cash and Carry	1	[✂]	[✂]	[✂]
21	Q Market	1	[✂]	[✂]	[✂]
22	Savemart Supermarket	1	[✂]	[✂]	[✂]
23	Savewise Supermarket	1	[✂]	[✂]	[✂]
24	Scotts	6	[✂]	[✂]	[✂]
25	Smart Supermarket	1	[✂]	[✂]	[✂]
26	SPAR	1	[✂]	[✂]	[✂]
27	Vegimania	1	[✂]	[✂]	[✂]
28	Vella Supermarket	1	[✂]	[✂]	[✂]
	Total Supermarkets	50	[✂]	100.0%	1,852

Change in HHI

101.7

Scenario 1 – Park Towers Santa Venera

Pre-Merger

No	Supermarket	No. of Stores	Revenue Estimate (€000s)	Market Share	Market Share Squared
1	Park Towers	2	[✂]	[✂]	[✂]
2	Valyou Group	3	[✂]	[✂]	[✂]
3	A.D. Supermarket	1	[✂]	[✂]	[✂]
4	Arkadia Marketing Ltd	4	[✂]	[✂]	[✂]
5	Brema Supermarket	1	[✂]	[✂]	[✂]
6	Chain Supermarket	2	[✂]	[✂]	[✂]
7	Conimex	1	[✂]	[✂]	[✂]
8	Corner Foodstore	1	[✂]	[✂]	[✂]
9	Daves Supermarket	1	[✂]	[✂]	[✂]
10	El Panadero	1	[✂]	[✂]	[✂]
11	G&G Self Service	1	[✂]	[✂]	[✂]
12	Gala Centre Supermarket	1	[✂]	[✂]	[✂]
13	Greens Supermarket	1	[✂]	[✂]	[✂]
14	JK Supermarket	1	[✂]	[✂]	[✂]
15	LIDL Malta	4	[✂]	[✂]	[✂]
16	Miracle Foods Limited	1	[✂]	[✂]	[✂]
17	PG Group	2	[✂]	[✂]	[✂]
18	Q Market	1	[✂]	[✂]	[✂]
19	Savemart Supermarket	1	[✂]	[✂]	[✂]
20	Savewise Supermarket	1	[✂]	[✂]	[✂]
21	Scotts	5	[✂]	[✂]	[✂]
22	Smart Supermarket	1	[✂]	[✂]	[✂]
23	SPAR	1	[✂]	[✂]	[✂]
24	Vegimania	1	[✂]	[✂]	[✂]
	Total Supermarkets	39	[✂]	100.0%	1,375

Post-Merger

No	Supermarket	No. of Stores	Revenue Estimate (€000s)	Market Share	Market Share Squared
1	Retail Marketing Limited	5	[X]	[X]	[X]
2	A.D. Supermarket	1	[X]	[X]	[X]
3	Arkadia Marketing Ltd	4	[X]	[X]	[X]
4	Brema Supermarket	1	[X]	[X]	[X]
5	Chain Supermarket	2	[X]	[X]	[X]
6	Conimex	1	[X]	[X]	[X]
7	Corner Foodstore	1	[X]	[X]	[X]
8	Daves Supermarket	1	[X]	[X]	[X]
9	El Panadero	1	[X]	[X]	[X]
10	G&G Self Service	1	[X]	[X]	[X]
11	Gala Centre Supermarket	1	[X]	[X]	[X]
12	Greens Supermarket	1	[X]	[X]	[X]
13	JK Supermarket	1	[X]	[X]	[X]
14	LIDL Malta	4	[X]	[X]	[X]
15	Miracle Foods Limited	1	[X]	[X]	[X]
16	PG Group	2	[X]	[X]	[X]
17	Q Market	1	[X]	[X]	[X]
18	Savemart Supermarket	1	[X]	[X]	[X]
19	Savewise Supermarket	1	[X]	[X]	[X]
20	Scotts	5	[X]	[X]	[X]
21	Smart Supermarket	1	[X]	[X]	[X]
22	SPAR	1	[X]	[X]	[X]
23	Vegimania	1	[X]	[X]	[X]
	Total Supermarkets	39	[X]	100.0%	1,492

Change in HHI

117.2

Scenario 2 – Park Towers Santa Venera

Pre-Merger

No	Supermarket	No. of Stores	Revenue Estimate (€000s)	Market Share	Market Share Squared
1	Park Towers	2	[✂]	[✂]	[✂]
2	Valyou Group	3	[✂]	[✂]	[✂]
3	A.D. Supermarket	1	[✂]	[✂]	[✂]
4	Arkadia Marketing Ltd	4	[✂]	[✂]	[✂]
5	Brema Supermarket	1	[✂]	[✂]	[✂]
6	Chain Supermarket	3	[✂]	[✂]	[✂]
7	Chef Choice	1	[✂]	[✂]	[✂]
8	Conimex	1	[✂]	[✂]	[✂]
9	Corner Foodstore	1	[✂]	[✂]	[✂]
10	Daves Supermarket	1	[✂]	[✂]	[✂]
11	El Panadero	1	[✂]	[✂]	[✂]
12	G&G Self Service	1	[✂]	[✂]	[✂]
13	Gala Centre Supermarket	1	[✂]	[✂]	[✂]
14	Greens Supermarket	1	[✂]	[✂]	[✂]
15	Iceland	1	[✂]	[✂]	[✂]
16	JJ Supermarket	1	[✂]	[✂]	[✂]
17	JK Supermarket	1	[✂]	[✂]	[✂]
18	LIDL Malta	5	[✂]	[✂]	[✂]
19	Miracle Foods Limited	2	[✂]	[✂]	[✂]
20	PG Group	2	[✂]	[✂]	[✂]
21	Q Market	1	[✂]	[✂]	[✂]
22	Savemart Supermarket	1	[✂]	[✂]	[✂]
23	Savewise Supermarket	1	[✂]	[✂]	[✂]
24	Scotts	7	[✂]	[✂]	[✂]
25	Smart Supermarket	1	[✂]	[✂]	[✂]
26	SPAR	1	[✂]	[✂]	[✂]
27	Vegimania	1	[✂]	[✂]	[✂]
	Total Supermarkets	47	[✂]	100.0%	1,465

Post-Merger

No	Supermarket	No. of Stores	Revenue Estimate (€000s)	Market Share	Market Share Squared
1	Retail Marketing Limited	5	[✂]	[✂]	[✂]
2	A.D. Supermarket	1	[✂]	[✂]	[✂]
3	Arkadia Marketing Ltd	4	[✂]	[✂]	[✂]
4	Brema Supermarket	1	[✂]	[✂]	[✂]
5	Chain Supermarket	3	[✂]	[✂]	[✂]
6	Chef Choice	1	[✂]	[✂]	[✂]
7	Conimex	1	[✂]	[✂]	[✂]
8	Corner Foodstore	1	[✂]	[✂]	[✂]
9	Daves Supermarket	1	[✂]	[✂]	[✂]
10	El Panadero	1	[✂]	[✂]	[✂]
11	G&G Self Service	1	[✂]	[✂]	[✂]
12	Gala Centre Supermarket	1	[✂]	[✂]	[✂]
13	Greens Supermarket	1	[✂]	[✂]	[✂]
14	Iceland	1	[✂]	[✂]	[✂]
15	JJ Supermarket	1	[✂]	[✂]	[✂]
16	JK Supermarket	1	[✂]	[✂]	[✂]
17	LIDL Malta	5	[✂]	[✂]	[✂]
18	Miracle Foods Limited	2	[✂]	[✂]	[✂]
19	PG Group	2	[✂]	[✂]	[✂]
20	Q Market	1	[✂]	[✂]	[✂]
21	Savemart Supermarket	1	[✂]	[✂]	[✂]
22	Savewise Supermarket	1	[✂]	[✂]	[✂]
23	Scotts	7	[✂]	[✂]	[✂]
24	Smart Supermarket	1	[✂]	[✂]	[✂]
25	SPAR	1	[✂]	[✂]	[✂]
26	Vegimania	1	[✂]	[✂]	[✂]
	Total Supermarkets	47	[✂]	100.0%	1,547

Change in HHI

82.6

Scenario 3 – Park Towers Santa Venera

Pre-Merger

No	Supermarket	No. of Stores	Revenue Estimate (€000s)	Market Share	Market Share Squared
1	Park Towers	2	[✂]	[✂]	[✂]
2	Valyou Group	3	[✂]	[✂]	[✂]
3	Lasco Supermarket	1	[✂]	[✂]	[✂]
4	A.D. Supermarket	1	[✂]	[✂]	[✂]
5	Arkadia Marketing Ltd	4	[✂]	[✂]	[✂]
6	Brema Supermarket	1	[✂]	[✂]	[✂]
7	Chain Supermarket	3	[✂]	[✂]	[✂]
8	Chef Choice	1	[✂]	[✂]	[✂]
9	Conimex	1	[✂]	[✂]	[✂]
10	Corner Foodstore	1	[✂]	[✂]	[✂]
11	Daves Supermarket	1	[✂]	[✂]	[✂]
12	El Panadero	1	[✂]	[✂]	[✂]
13	G&G Self Service	1	[✂]	[✂]	[✂]
14	Gala Centre Supermarket	1	[✂]	[✂]	[✂]
15	Greens Supermarket	1	[✂]	[✂]	[✂]
16	Iceland	1	[✂]	[✂]	[✂]
17	JJ Supermarket	1	[✂]	[✂]	[✂]
18	JK Supermarket	1	[✂]	[✂]	[✂]
19	LIDL Malta	5	[✂]	[✂]	[✂]
20	Miracle Foods Limited	2	[✂]	[✂]	[✂]
21	PG Group	2	[✂]	[✂]	[✂]
22	Q Market	1	[✂]	[✂]	[✂]
23	Savemart Supermarket	1	[✂]	[✂]	[✂]
24	Savewise Supermarket	1	[✂]	[✂]	[✂]
25	Scotts	7	[✂]	[✂]	[✂]
26	Smart Supermarket	1	[✂]	[✂]	[✂]
27	SPAR	1	[✂]	[✂]	[✂]
28	Vegimania	1	[✂]	[✂]	[✂]
	Total Supermarkets	48	[✂]	100.0%	1,405

Post-Merger

No	Supermarket	No. of Stores	Revenue Estimate (€000s)	Market Share	Market Share Squared
1	Retail Marketing Limited	6	[✂]	[✂]	[✂]
2	A.D. Supermarket	1	[✂]	[✂]	[✂]
3	Arkadia Marketing Ltd	4	[✂]	[✂]	[✂]
4	Brema Supermarket	1	[✂]	[✂]	[✂]
5	Chain Supermarket	3	[✂]	[✂]	[✂]
6	Chef Choice	1	[✂]	[✂]	[✂]
7	Conimex	1	[✂]	[✂]	[✂]
8	Corner Foodstore	1	[✂]	[✂]	[✂]
9	Daves Supermarket	1	[✂]	[✂]	[✂]
10	El Panadero	1	[✂]	[✂]	[✂]
11	G&G Self Service	1	[✂]	[✂]	[✂]
12	Gala Centre Supermarket	1	[✂]	[✂]	[✂]
13	Greens Supermarket	1	[✂]	[✂]	[✂]
14	Iceland	1	[✂]	[✂]	[✂]
15	JJ Supermarket	1	[✂]	[✂]	[✂]
16	JK Supermarket	1	[✂]	[✂]	[✂]
17	LIDL Malta	5	[✂]	[✂]	[✂]
18	Miracle Foods Limited	2	[✂]	[✂]	[✂]
19	PG Group	2	[✂]	[✂]	[✂]
20	Q Market	1	[✂]	[✂]	[✂]
21	Savemart Supermarket	1	[✂]	[✂]	[✂]
22	Savewise Supermarket	1	[✂]	[✂]	[✂]
23	Scotts	7	[✂]	[✂]	[✂]
24	Smart Supermarket	1	[✂]	[✂]	[✂]
25	SPAR	1	[✂]	[✂]	[✂]
26	Vegimania	1	[✂]	[✂]	[✂]
	Total Supermarkets	48	[✂]	100.0%	1,540

Change in HHI

135.2

Scenario 4 – Park Towers Santa Venera

Pre-Merger

No	Supermarket	No. of Stores	Revenue Estimate (€000s)	Market Share	Market Share Squared
1	Park Towers	2	[✂]	[✂]	[✂]
2	Valyou Group	3	[✂]	[✂]	[✂]
3	Lasco Supermarket	1	[✂]	[✂]	[✂]
4	A.D. Supermarket	1	[✂]	[✂]	[✂]
5	Arkadia Marketing Ltd	4	[✂]	[✂]	[✂]
6	Brema Supermarket	1	[✂]	[✂]	[✂]
7	Chain Supermarket	4	[✂]	[✂]	[✂]
8	Chef Choice	1	[✂]	[✂]	[✂]
9	Conimex	1	[✂]	[✂]	[✂]
10	Corner Foodstore	1	[✂]	[✂]	[✂]
11	Daves Supermarket	1	[✂]	[✂]	[✂]
12	El Panadero	1	[✂]	[✂]	[✂]
13	G&G Self Service	1	[✂]	[✂]	[✂]
14	Gala Centre Supermarket	1	[✂]	[✂]	[✂]
15	Greens Supermarket	1	[✂]	[✂]	[✂]
16	Iceland	2	[✂]	[✂]	[✂]
17	JJ Supermarket	1	[✂]	[✂]	[✂]
18	JK Supermarket	1	[✂]	[✂]	[✂]
19	LIDL Malta	6	[✂]	[✂]	[✂]
20	Miracle Foods Limited	2	[✂]	[✂]	[✂]
21	PG Group	2	[✂]	[✂]	[✂]
22	Q Market	1	[✂]	[✂]	[✂]
23	Savemart Supermarket	1	[✂]	[✂]	[✂]
24	Savewise Supermarket	1	[✂]	[✂]	[✂]
25	Scotts	7	[✂]	[✂]	[✂]
26	Smart Supermarket	1	[✂]	[✂]	[✂]
27	SPAR	1	[✂]	[✂]	[✂]
28	Vegimania	1	[✂]	[✂]	[✂]
29	Vella Supermarket	1	[✂]	[✂]	[✂]
	Total Supermarkets	52	[✂]	100.0%	1,533

Post-Merger

No	Supermarket	No. of Stores	Revenue Estimate (€000s)	Market Share	Market Share Squared
1	Retail Marketing Limited	6	[✂]	[✂]	[✂]
2	A.D. Supermarket	1	[✂]	[✂]	[✂]
3	Arkadia Marketing Ltd	4	[✂]	[✂]	[✂]
4	Brema Supermarket	1	[✂]	[✂]	[✂]
5	Chain Supermarket	4	[✂]	[✂]	[✂]
6	Chef Choice	1	[✂]	[✂]	[✂]
7	Conimex	1	[✂]	[✂]	[✂]
8	Corner Foodstore	1	[✂]	[✂]	[✂]
9	Daves Supermarket	1	[✂]	[✂]	[✂]
10	El Panadero	1	[✂]	[✂]	[✂]
11	G&G Self Service	1	[✂]	[✂]	[✂]
12	Gala Centre Supermarket	1	[✂]	[✂]	[✂]
13	Greens Supermarket	1	[✂]	[✂]	[✂]
14	Iceland	2	[✂]	[✂]	[✂]
15	JJ Supermarket	1	[✂]	[✂]	[✂]
16	JK Supermarket	1	[✂]	[✂]	[✂]
17	LIDL Malta	6	[✂]	[✂]	[✂]
18	Miracle Foods Limited	2	[✂]	[✂]	[✂]
19	PG Group	2	[✂]	[✂]	[✂]
20	Q Market	1	[✂]	[✂]	[✂]
21	Savemart Supermarket	1	[✂]	[✂]	[✂]
22	Savewise Supermarket	1	[✂]	[✂]	[✂]
23	Scotts	7	[✂]	[✂]	[✂]
24	Smart Supermarket	1	[✂]	[✂]	[✂]
25	SPAR	1	[✂]	[✂]	[✂]
26	Vegimania	1	[✂]	[✂]	[✂]
27	Vella Supermarket	1	[✂]	[✂]	[✂]
	Total Supermarkets	52	[✂]	100.0%	1,651

Change in HHI

117.9

Scenario 1 – Park Towers St Julian's

Pre-Merger

No	Supermarket	No. of Stores	Revenue Estimate (€000s)	Market Share	Market Share Squared
1	Park Towers	2	[✂]	[✂]	[✂]
2	Valyou Group	3	[✂]	[✂]	[✂]
3	A.D. Supermarket	1	[✂]	[✂]	[✂]
4	Arkadia Marketing Ltd	4	[✂]	[✂]	[✂]
5	Brema Supermarket	1	[✂]	[✂]	[✂]
6	Chain Supermarket	1	[✂]	[✂]	[✂]
7	Corner Foodstore	1	[✂]	[✂]	[✂]
8	Gala Centre Supermarket	1	[✂]	[✂]	[✂]
9	Greens Supermarket	1	[✂]	[✂]	[✂]
10	JK Supermarket	1	[✂]	[✂]	[✂]
11	LIDL Malta	3	[✂]	[✂]	[✂]
12	Miracle Foods Limited	1	[✂]	[✂]	[✂]
13	PG Group	2	[✂]	[✂]	[✂]
14	Q Market	1	[✂]	[✂]	[✂]
15	Savemart Supermarket	1	[✂]	[✂]	[✂]
16	Scotts	4	[✂]	[✂]	[✂]
17	Smart Supermarket	1	[✂]	[✂]	[✂]
18	SPAR	1	[✂]	[✂]	[✂]
19	Vegimania	1	[✂]	[✂]	[✂]
	Total Supermarkets	31	[✂]	100.0%	1,498

Post-Merger

No	Supermarket	No. of Stores	Revenue Estimate (€000s)	Market Share	Market Share Squared
1	Retail Marketing Limited	5	[X]	[X]	[X]
2	A.D. Supermarket	1	[X]	[X]	[X]
3	Arkadia Marketing Ltd	4	[X]	[X]	[X]
4	Brema Supermarket	1	[X]	[X]	[X]
5	Chain Supermarket	1	[X]	[X]	[X]
6	Corner Foodstore	1	[X]	[X]	[X]
7	Gala Centre Supermarket	1	[X]	[X]	[X]
8	Greens Supermarket	1	[X]	[X]	[X]
9	JK Supermarket	1	[X]	[X]	[X]
10	LIDL Malta	3	[X]	[X]	[X]
11	Miracle Foods Limited	1	[X]	[X]	[X]
12	PG Group	2	[X]	[X]	[X]
13	Q Market	1	[X]	[X]	[X]
14	Savemart Supermarket	1	[X]	[X]	[X]
15	Scotts	4	[X]	[X]	[X]
16	Smart Supermarket	1	[X]	[X]	[X]
17	SPAR	1	[X]	[X]	[X]
18	Vegimania	1	[X]	[X]	[X]
	Total Supermarkets	31	[X]	100.0%	1,646

Change in HHI

147.7

Scenario 2 – Park Towers St Julian's

Pre-Merger

No	Supermarket	No. of Stores	Revenue Estimate (€000s)	Market Share	Market Share Squared
1	Park Towers	2	[✂]	[✂]	[✂]
2	Valyou Group	3	[✂]	[✂]	[✂]
3	A.D. Supermarket	1	[✂]	[✂]	[✂]
4	Arkadia Marketing Ltd	4	[✂]	[✂]	[✂]
5	Brema Supermarket	1	[✂]	[✂]	[✂]
6	Chain Supermarket	1	[✂]	[✂]	[✂]
7	Corner Foodstore	1	[✂]	[✂]	[✂]
8	Gala Centre Supermarket	1	[✂]	[✂]	[✂]
9	Greens Supermarket	1	[✂]	[✂]	[✂]
10	JK Supermarket	1	[✂]	[✂]	[✂]
11	LIDL Malta	4	[✂]	[✂]	[✂]
12	Miracle Foods Limited	1	[✂]	[✂]	[✂]
13	PG Group	2	[✂]	[✂]	[✂]
14	Q Market	1	[✂]	[✂]	[✂]
15	Savemart Supermarket	1	[✂]	[✂]	[✂]
16	Scotts	5	[✂]	[✂]	[✂]
17	Smart Supermarket	1	[✂]	[✂]	[✂]
18	SPAR	1	[✂]	[✂]	[✂]
19	Vegimania	1	[✂]	[✂]	[✂]
	Total Supermarkets	33	[✂]	100.0%	1,525

Post-Merger

No	Supermarket	No. of Stores	Revenue Estimate (€000s)	Market Share	Market Share Squared
1	Retail Marketing Limited	5	[X]	[X]	[X]
2	A.D. Supermarket	1	[X]	[X]	[X]
3	Arkadia Marketing Ltd	4	[X]	[X]	[X]
4	Brema Supermarket	1	[X]	[X]	[X]
5	Chain Supermarket	1	[X]	[X]	[X]
6	Corner Foodstore	1	[X]	[X]	[X]
7	Gala Centre Supermarket	1	[X]	[X]	[X]
8	Greens Supermarket	1	[X]	[X]	[X]
9	JK Supermarket	1	[X]	[X]	[X]
10	LIDL Malta	4	[X]	[X]	[X]
11	Miracle Foods Limited	1	[X]	[X]	[X]
12	PG Group	2	[X]	[X]	[X]
13	Q Market	1	[X]	[X]	[X]
14	Savemart Supermarket	1	[X]	[X]	[X]
15	Scotts	5	[X]	[X]	[X]
16	Smart Supermarket	1	[X]	[X]	[X]
17	SPAR	1	[X]	[X]	[X]
18	Vegimania	1	[X]	[X]	[X]
	Total Supermarkets	33	[X]	100.0%	1,656

Change in HHI

131.3

Scenario 3 – Park Towers St Julian's

Pre-Merger

No	Supermarket	No. of Stores	Revenue Estimate (€000s)	Market Share	Market Share Squared
1	Park Towers	2	[✂]	[✂]	[✂]
2	Valyou Group	3	[✂]	[✂]	[✂]
3	A.D. Supermarket	1	[✂]	[✂]	[✂]
4	Arkadia Marketing Ltd	4	[✂]	[✂]	[✂]
5	Brema Supermarket	1	[✂]	[✂]	[✂]
6	Chain Supermarket	1	[✂]	[✂]	[✂]
7	Conimex	1	[✂]	[✂]	[✂]
8	Corner Foodstore	1	[✂]	[✂]	[✂]
9	El Panadero	1	[✂]	[✂]	[✂]
10	G&G Supermarket	1	[✂]	[✂]	[✂]
11	Gala Centre Supermarket	1	[✂]	[✂]	[✂]
12	Greens Supermarket	1	[✂]	[✂]	[✂]
13	Iceland Stores	1	[✂]	[✂]	[✂]
14	JK Supermarket	1	[✂]	[✂]	[✂]
15	LIDL Malta	4	[✂]	[✂]	[✂]
16	Miracle Foods Limited	1	[✂]	[✂]	[✂]
17	PG Group	2	[✂]	[✂]	[✂]
18	Piscopo Cash & Carry	1	[✂]	[✂]	[✂]
19	Q Market	1	[✂]	[✂]	[✂]
20	Savemart Supermarket	1	[✂]	[✂]	[✂]
21	Savewise Supermarket	1	[✂]	[✂]	[✂]
22	Scotts	5	[✂]	[✂]	[✂]
23	Smart Supermarket	1	[✂]	[✂]	[✂]
24	SPAR	1	[✂]	[✂]	[✂]
25	Vegimania	1	[✂]	[✂]	[✂]
	Total Supermarkets	39	[✂]	100.0%	1,517

Post-Merger

No	Supermarket	No. of Stores	Revenue Estimate (€000s)	Market Share	Market Share Squared
1	Retail Marketing Limited	5	[✂]	[✂]	[✂]
2	A.D. Supermarket	1	[✂]	[✂]	[✂]
3	Arkadia Marketing Ltd	4	[✂]	[✂]	[✂]
4	Brema Supermarket	1	[✂]	[✂]	[✂]
5	Chain Supermarket	1	[✂]	[✂]	[✂]
6	Conimex	1	[✂]	[✂]	[✂]
7	Corner Foodstore	1	[✂]	[✂]	[✂]
8	El Panadero	1	[✂]	[✂]	[✂]
9	G&G Supermarket	1	[✂]	[✂]	[✂]
10	Gala Centre Supermarket	1	[✂]	[✂]	[✂]
11	Greens Supermarket	1	[✂]	[✂]	[✂]
12	Iceland Stores	1	[✂]	[✂]	[✂]
13	JK Supermarket	1	[✂]	[✂]	[✂]
14	LIDL Malta	4	[✂]	[✂]	[✂]
15	Miracle Foods Limited	1	[✂]	[✂]	[✂]
16	PG Group	2	[✂]	[✂]	[✂]
17	Piscopo Cash & Carry	1	[✂]	[✂]	[✂]
18	Q Market	1	[✂]	[✂]	[✂]
19	Savemart Supermarket	1	[✂]	[✂]	[✂]
20	Savewise Supermarket	1	[✂]	[✂]	[✂]
21	Scotts	5	[✂]	[✂]	[✂]
22	Smart Supermarket	1	[✂]	[✂]	[✂]
23	SPAR	1	[✂]	[✂]	[✂]
24	Vegimania	1	[✂]	[✂]	[✂]
	Total Supermarkets	39	[✂]	100.0%	1,618

Change in HHI

101.4

Scenario 4 – Park Towers St Julian's

Pre-Merger

No	Supermarket	No. of Stores	Revenue Estimate (€000s)	Market Share	Market Share Squared
1	Park Towers	2	[✂]	[✂]	[✂]
2	Valyou Group	3	[✂]	[✂]	[✂]
3	A.D. Supermarket	1	[✂]	[✂]	[✂]
4	Arkadia Marketing Ltd	4	[✂]	[✂]	[✂]
5	Brema Supermarket	1	[✂]	[✂]	[✂]
6	Chain Supermarket	3	[✂]	[✂]	[✂]
7	Conimex	1	[✂]	[✂]	[✂]
8	Corner Foodstore	1	[✂]	[✂]	[✂]
9	Daves	1	[✂]	[✂]	[✂]
10	El Panadero	1	[✂]	[✂]	[✂]
11	G&G Supermarket	1	[✂]	[✂]	[✂]
12	Gala Centre Supermarket	1	[✂]	[✂]	[✂]
13	Greens Supermarket	1	[✂]	[✂]	[✂]
14	Iceland Stores	1	[✂]	[✂]	[✂]
15	JK Supermarket	1	[✂]	[✂]	[✂]
16	LIDL Malta	4	[✂]	[✂]	[✂]
17	Miracle Foods Limited	2	[✂]	[✂]	[✂]
18	PG Group	2	[✂]	[✂]	[✂]
19	Q Market	1	[✂]	[✂]	[✂]
20	Savemart Supermarket	1	[✂]	[✂]	[✂]
21	Savewise Supermarket	1	[✂]	[✂]	[✂]
22	Scotts	5	[✂]	[✂]	[✂]
23	Smart Supermarket	1	[✂]	[✂]	[✂]
24	SPAR	1	[✂]	[✂]	[✂]
25	Vegimania	1	[✂]	[✂]	[✂]
	Total Supermarkets	42	[✂]	100.0%	1,458

Post-Merger

No	Supermarket	No. of Stores	Revenue Estimate (€000s)	Market Share	Market Share Squared
1	Retail Marketing Limited	5	[✂]	[✂]	[✂]
2	A.D. Supermarket	1	[✂]	[✂]	[✂]
3	Arkadia Marketing Ltd	4	[✂]	[✂]	[✂]
4	Brema Supermarket	1	[✂]	[✂]	[✂]
5	Chain Supermarket	3	[✂]	[✂]	[✂]
6	Conimex	1	[✂]	[✂]	[✂]
7	Corner Foodstore	1	[✂]	[✂]	[✂]
8	Daves	1	[✂]	[✂]	[✂]
9	El Panadero	1	[✂]	[✂]	[✂]
10	G&G Supermarket	1	[✂]	[✂]	[✂]
11	Gala Centre Supermarket	1	[✂]	[✂]	[✂]
12	Greens Supermarket	1	[✂]	[✂]	[✂]
13	Iceland Stores	1	[✂]	[✂]	[✂]
14	JK Supermarket	1	[✂]	[✂]	[✂]
15	LIDL Malta	4	[✂]	[✂]	[✂]
16	Miracle Foods Limited	2	[✂]	[✂]	[✂]
17	PG Group	2	[✂]	[✂]	[✂]
18	Q Market	1	[✂]	[✂]	[✂]
19	Savemart Supermarket	1	[✂]	[✂]	[✂]
20	Savewise Supermarket	1	[✂]	[✂]	[✂]
21	Scotts	5	[✂]	[✂]	[✂]
22	Smart Supermarket	1	[✂]	[✂]	[✂]
23	SPAR	1	[✂]	[✂]	[✂]
24	Vegimania	1	[✂]	[✂]	[✂]
	Total Supermarkets	42	[✂]	100.0%	1,554

Change in HHI

96.3

APPENDIX D: DELINEATING THE LOCAL GEOGRAPHIC MARKET AFTER MERGING WITH THE RELEVANT PRODUCT MARKET DEFINITION

Scenario 1 – Lasco Supermarket

Pre-Merger

No	Supermarket	No. of Stores	Revenue Estimate (€000s)	Market Share	Market Share Squared
1	Lasco	1	[X]	[X]	[X]
2	Chain	3	[X]	[X]	[X]
3	Chef's Choice	1	[X]	[X]	[X]
4	Dave's	1	[X]	[X]	[X]
5	LIDL	3	[X]	[X]	[X]
6	Scotts	2	[X]	[X]	[X]
7	SPAR	1	[X]	[X]	[X]
8	Cassar Bargain Shop	1	[X]	[X]	[X]
	Total Supermarkets	13	[X]	100.0%	3526

Post-Merger

No	Supermarket	No. of Stores	Revenue Estimate (€000s)	Market Share	Market Share Squared
1	Retail Marketing Limited	1	[X]	[X]	[X]
2	Chain	3	[X]	[X]	[X]
3	Chef's Choice	1	[X]	[X]	[X]
4	Dave's	1	[X]	[X]	[X]
5	LIDL	3	[X]	[X]	[X]
6	Scotts	2	[X]	[X]	[X]
7	SPAR	1	[X]	[X]	[X]
8	Cassar Bargain Shop	1	[X]	[X]	[X]
	Total Supermarkets	13	[X]	100.0%	3526

Change in HHI

0

Scenario 2 – Lasco Supermarket

Pre-Merger

No	Supermarket	No. of Stores	Revenue Estimate (€000s)	Market Share	Market Share Squared
1	Lasco	1	[✂]	[✂]	[✂]
2	Chain	3	[✂]	[✂]	[✂]
3	Chef's Choice	1	[✂]	[✂]	[✂]
4	Dave's	1	[✂]	[✂]	[✂]
5	LIDL	4	[✂]	[✂]	[✂]
6	Scotts	2	[✂]	[✂]	[✂]
7	SPAR	1	[✂]	[✂]	[✂]
8	Cassar Bargain Shop	1	[✂]	[✂]	[✂]
9	PAVI Supermarket	1	[✂]	[✂]	[✂]
	Total Supermarkets	15	[✂]	100.0%	2994.9

Post-Merger

No	Supermarket	No. of Stores	Revenue Estimate (€000s)	Market Share	Market Share Squared
1	Retail Marketing Limited	1	[✂]	[✂]	[✂]
2	Chain	3	[✂]	[✂]	[✂]
3	Chef's Choice	1	[✂]	[✂]	[✂]
4	Dave's	1	[✂]	[✂]	[✂]
5	LIDL	4	[✂]	[✂]	[✂]
6	Scotts	2	[✂]	[✂]	[✂]
7	SPAR	1	[✂]	[✂]	[✂]
8	Cassar Bargain Shop	1	[✂]	[✂]	[✂]
9	PAVI Supermarket	1	[✂]	[✂]	[✂]
	Total Supermarkets	15	[✂]	100.0%	2994.9

Change in HHI

0

Scenario 3 – Lasco Supermarket

Pre-Merger

No	Supermarket	No. of Stores	Revenue Estimate (€000s)	Market Share	Market Share Squared
1	Lasco	1	[X]	[X]	[X]
2	Park Towers	1	[X]	[X]	[X]
3	Chain	3	[X]	[X]	[X]
4	Chef's Choice	1	[X]	[X]	[X]
5	Dave's	1	[X]	[X]	[X]
6	LIDL	5	[X]	[X]	[X]
7	Scotts	3	[X]	[X]	[X]
8	SPAR	1	[X]	[X]	[X]
9	Cassar Bargain Shop	1	[X]	[X]	[X]
10	PAVI Supermarket	1	[X]	[X]	[X]
11	Gala Centre Supermarket	1	[X]	[X]	[X]
	Total Supermarkets	19	[X]	100.0%	2816.3

Post-Merger

No	Supermarket	No. of Stores	Revenue Estimate (€000s)	Market Share	Market Share Squared
1	Retail Marketing Limited	2	[X]	[X]	[X]
2	Chain	3	[X]	[X]	[X]
3	Chef's Choice	1	[X]	[X]	[X]
4	Dave's	1	[X]	[X]	[X]
5	LIDL	5	[X]	[X]	[X]
6	Scotts	3	[X]	[X]	[X]
7	SPAR	1	[X]	[X]	[X]
8	Cassar Bargain Shop	1	[X]	[X]	[X]
9	PAVI Supermarket	1	[X]	[X]	[X]
10	Gala Centre Supermarket	1	[X]	[X]	[X]
	Total Supermarkets	19	[X]	100.0%	2893.4

Change in HHI

77.1

Scenario 4 – Lasco Supermarket

Pre-Merger

No	Supermarket	No. of Stores	Revenue Estimate (€000s)	Market Share	Market Share Squared
1	Lasco	1	[✂]	[✂]	[✂]
2	Park Towers	1	[✂]	[✂]	[✂]
3	Chain	3	[✂]	[✂]	[✂]
4	Chef's Choice	1	[✂]	[✂]	[✂]
5	Dave's	2	[✂]	[✂]	[✂]
6	LIDL	5	[✂]	[✂]	[✂]
7	Scotts	3	[✂]	[✂]	[✂]
8	SPAR	1	[✂]	[✂]	[✂]
9	Cassar Bargain Shop	1	[✂]	[✂]	[✂]
10	PAVI Supermarket	1	[✂]	[✂]	[✂]
	Total Supermarkets	21	[✂]	100.0%	2,763.2

Post-Merger

No	Supermarket	No. of Stores	Revenue Estimate (€000s)	Market Share	Market Share Squared
1	Retail Marketing Limited	2	[✂]	[✂]	[✂]
2	Chain	3	[✂]	[✂]	[✂]
3	Chef's Choice	1	[✂]	[✂]	[✂]
4	Dave's	2	[✂]	[✂]	[✂]
5	LIDL	5	[✂]	[✂]	[✂]
6	Scotts	3	[✂]	[✂]	[✂]
7	SPAR	1	[✂]	[✂]	[✂]
8	Cassar Bargain Shop	1	[✂]	[✂]	[✂]
9	PAVI Supermarket	1	[✂]	[✂]	[✂]
	Total Supermarkets	21	[✂]	100.0%	2,838.6

Change in HHI

75.4

Scenario 1 – Trolees Supermarket

Pre-Merger

No	Supermarket	No. of Stores	Revenue Estimate (€000s)	Market Share	Market Share Squared
1	Trolees	1	[✂]	[✂]	[✂]
2	Valyou Supermarket	2	[✂]	[✂]	[✂]
3	Greens Supermarket	1	[✂]	[✂]	[✂]
4	Iceland Store	2	[✂]	[✂]	[✂]
5	LIDL	1	[✂]	[✂]	[✂]
6	Piscopo's Cash and Carry	1	[✂]	[✂]	[✂]
7	Savemart Supermarket	1	[✂]	[✂]	[✂]
8	Scotts	2	[✂]	[✂]	[✂]
9	Vella Supermarket	1	[✂]	[✂]	[✂]
	Total Supermarkets	12	[✂]	100.0%	2,171.7

Post-Merger

No	Supermarket	No. of Stores	Revenue Estimate (€000s)	Market Share	Market Share Squared
1	Retail Marketing Limited	3	[✂]	[✂]	[✂]
2	Greens Supermarket	1	[✂]	[✂]	[✂]
3	Iceland Store	2	[✂]	[✂]	[✂]
4	LIDL	1	[✂]	[✂]	[✂]
5	Piscopo's Cash and Carry	1	[✂]	[✂]	[✂]
6	Savemart Supermarket	1	[✂]	[✂]	[✂]
7	Scotts	2	[✂]	[✂]	[✂]
8	Vella Supermarket	1	[✂]	[✂]	[✂]
	Total Supermarkets	12	[✂]	100.0%	2,335.9

Change in HHI

164.2

Scenario 2 – Trolees Supermarket

Pre-Merger

No	Supermarket	No. of Stores	Revenue Estimate (€000s)	Market Share	Market Share Squared
1	Trolees	1	[✂]	[✂]	[✂]
2	Valyou Supermarket	2	[✂]	[✂]	[✂]
3	Iceland Store	2	[✂]	[✂]	[✂]
4	LIDL	1	[✂]	[✂]	[✂]
5	PAMA Supermarket	1	[✂]	[✂]	[✂]
6	Piscopo's Cash and Carry	1	[✂]	[✂]	[✂]
7	Scotts	2	[✂]	[✂]	[✂]
8	Vella Supermarket	1	[✂]	[✂]	[✂]
	Total Supermarkets	11	[✂]	100.0%	2,523.8

Post-Merger

No	Supermarket	No. of Stores	Revenue Estimate (€000s)	Market Share	Market Share Squared
1	Retail Marketing Limited	3	[✂]	[✂]	[✂]
2	Iceland Store	2	[✂]	[✂]	[✂]
3	LIDL	1	[✂]	[✂]	[✂]
4	PAMA Supermarket	1	[✂]	[✂]	[✂]
5	Piscopo's Cash and Carry	1	[✂]	[✂]	[✂]
6	Scotts	2	[✂]	[✂]	[✂]
7	Vella Supermarket	1	[✂]	[✂]	[✂]
	Total Supermarkets	11	[✂]	100.0%	2,640

Change in HHI

116.4

Scenario 3 – Trolees Supermarket

Pre-Merger

No	Supermarket	No. of Stores	Revenue Estimate (€000s)	Market Share	Market Share Squared
1	Trolees	1	[✂]	[✂]	[✂]
2	Valyou Supermarket	2	[✂]	[✂]	[✂]
3	Greens Supermarket	1	[✂]	[✂]	[✂]
4	Iceland Store	2	[✂]	[✂]	[✂]
5	JK Supermarket	1	[✂]	[✂]	[✂]
6	LIDL	1	[✂]	[✂]	[✂]
7	PAMA Supermarket	1	[✂]	[✂]	[✂]
8	Piscopo's Cash and Carry	1	[✂]	[✂]	[✂]
9	Savemart Supermarket	1	[✂]	[✂]	[✂]
10	Scotts	2	[✂]	[✂]	[✂]
11	Smart Supermarket	1	[✂]	[✂]	[✂]
12	Vella Supermarket	1	[✂]	[✂]	[✂]
	Total Supermarkets	15	[✂]	100.0%	1,593

Post-Merger

No	Supermarket	No. of Stores	Revenue Estimate (€000s)	Market Share	Market Share Squared
1	Retail Marketing Limited	3	[✂]	[✂]	[✂]
2	Greens Supermarket	1	[✂]	[✂]	[✂]
3	Iceland Store	2	[✂]	[✂]	[✂]
4	JK Supermarket	1	[✂]	[✂]	[✂]
5	LIDL	1	[✂]	[✂]	[✂]
6	PAMA Supermarket	1	[✂]	[✂]	[✂]
7	Piscopo's Cash and Carry	1	[✂]	[✂]	[✂]
8	Savemart Supermarket	1	[✂]	[✂]	[✂]
9	Scotts	2	[✂]	[✂]	[✂]
10	Smart Supermarket	1	[✂]	[✂]	[✂]
11	Vella Supermarket	1	[✂]	[✂]	[✂]
	Total Supermarkets	15	[✂]	100.0%	1,647

Change in HHI

54.2

Scenario 4 – Trolees Supermarket

Pre-Merger

No	Supermarket	No. of Stores	Revenue Estimate (€000s)	Market Share	Market Share Squared
1	Trolees	1	[✂]	[✂]	[✂]
2	Valyou Supermarket	2	[✂]	[✂]	[✂]
3	Greens Supermarket	1	[✂]	[✂]	[✂]
4	Iceland Store	2	[✂]	[✂]	[✂]
5	J&L Supermarket	1	[✂]	[✂]	[✂]
6	JK Supermarket	1	[✂]	[✂]	[✂]
7	LIDL	2	[✂]	[✂]	[✂]
8	PAMA Supermarket	1	[✂]	[✂]	[✂]
9	Piscopo's Cash and Carry	1	[✂]	[✂]	[✂]
10	Savemart Supermarket	1	[✂]	[✂]	[✂]
11	Scotts	2	[✂]	[✂]	[✂]
12	Smart Supermarket	1	[✂]	[✂]	[✂]
13	Vella Supermarket	1	[✂]	[✂]	[✂]
	Total Supermarkets	17	[✂]	100.0%	1,765

Post-Merger

No	Supermarket	No. of Stores	Revenue Estimate (€000s)	Market Share	Market Share Squared
1	Retail Marketing Limited	3	[✂]	[✂]	[✂]
2	Greens Supermarket	1	[✂]	[✂]	[✂]
3	Iceland Store	2	[✂]	[✂]	[✂]
4	J&L Supermarket	1	[✂]	[✂]	[✂]
5	JK Supermarket	1	[✂]	[✂]	[✂]
6	LIDL	2	[✂]	[✂]	[✂]
7	PAMA Supermarket	1	[✂]	[✂]	[✂]
8	Piscopo's Cash and Carry	1	[✂]	[✂]	[✂]
9	Savemart Supermarket	1	[✂]	[✂]	[✂]
10	Scotts	2	[✂]	[✂]	[✂]
11	Smart Supermarket	1	[✂]	[✂]	[✂]
12	Vella Supermarket	1	[✂]	[✂]	[✂]
	Total Supermarkets	17	[✂]	100.0%	1,808

Change in HHI

42.8

Scenario 1 – Valyou Supermarket (Mellieha)

Pre-Merger

No	Supermarket	No. of Stores	Revenue Estimate (€000s)	Market Share	Market Share Squared
1	Valyou Supermarket	1	[✂]	[✂]	[✂]
2	Trolees Supermarket	1	[✂]	[✂]	[✂]
3	Iceland Store	2	[✂]	[✂]	[✂]
4	J&L Supermarket	1	[✂]	[✂]	[✂]
5	LIDL	1	[✂]	[✂]	[✂]
6	Piscopo's Cash and Carry	1	[✂]	[✂]	[✂]
7	Scotts	1	[✂]	[✂]	[✂]
8	Vella Supermarket	1	[✂]	[✂]	[✂]
	Total Supermarkets	9	[✂]	100.0%	3,330.9

Post-Merger

No	Supermarket	No. of Stores	Revenue Estimate (€000s)	Market Share	Market Share Squared
1	Retail Marketing Limited	2	[✂]	[✂]	[✂]
2	Iceland Store	2	[✂]	[✂]	[✂]
3	J&L Supermarket	1	[✂]	[✂]	[✂]
4	LIDL	1	[✂]	[✂]	[✂]
5	Piscopo's Cash and Carry	1	[✂]	[✂]	[✂]
6	Scotts	1	[✂]	[✂]	[✂]
7	Vella Supermarket	1	[✂]	[✂]	[✂]
	Total Supermarkets	9	[✂]	100.0%	3,543.2

Change in HHI

212.3

Scenario 2 – Valyou Supermarket (Mellieha)

Pre-Merger

No	Supermarket	No. of Stores	Revenue Estimate (€000s)	Market Share	Market Share Squared
1	Valyou Supermarket	1	[✂]	[✂]	[✂]
2	Trolees Supermarket	1	[✂]	[✂]	[✂]
3	Iceland Store	1	[✂]	[✂]	[✂]
4	J&L Supermarket	1	[✂]	[✂]	[✂]
5	LIDL	1	[✂]	[✂]	[✂]
6	Piscopo's Cash and Carry	1	[✂]	[✂]	[✂]
7	Scotts	1	[✂]	[✂]	[✂]
8	Vella Supermarket	1	[✂]	[✂]	[✂]
	Total Supermarkets	8	[✂]	100.0%	3,435.4

Post-Merger

No	Supermarket	No. of Stores	Revenue Estimate (€000s)	Market Share	Market Share Squared
1	Retail Marketing Limited	2	[✂]	[✂]	[✂]
2	Iceland Store	1	[✂]	[✂]	[✂]
3	J&L Supermarket	1	[✂]	[✂]	[✂]
4	LIDL	1	[✂]	[✂]	[✂]
5	Piscopo's Cash and Carry	1	[✂]	[✂]	[✂]
6	Scotts	1	[✂]	[✂]	[✂]
7	Vella Supermarket	1	[✂]	[✂]	[✂]
	Total Supermarkets	8	[✂]	100.0%	3,655.1

Change in HHI

219.66

Scenario 3 – Valyou Supermarket (Mellieha)

Pre-Merger

No	Supermarket	No. of Stores	Revenue Estimate (€000s)	Market Share	Market Share Squared
1	Valyou Supermarket	1	[✂]	[✂]	[✂]
2	Trolees Supermarket	1	[✂]	[✂]	[✂]
3	Iceland Store	2	[✂]	[✂]	[✂]
4	J&L Supermarket	1	[✂]	[✂]	[✂]
5	LIDL	1	[✂]	[✂]	[✂]
6	Piscopo's Cash and Carry	1	[✂]	[✂]	[✂]
7	Scotts	1	[✂]	[✂]	[✂]
8	Vella Supermarket	1	[✂]	[✂]	[✂]
	Total Supermarkets	9	[✂]	100.0%	3,330.9

Post-Merger

No	Supermarket	No. of Stores	Revenue Estimate (€000s)	Market Share	Market Share Squared
1	Retail Marketing Limited	2	[✂]	[✂]	[✂]
2	Iceland Store	2	[✂]	[✂]	[✂]
3	J&L Supermarket	1	[✂]	[✂]	[✂]
4	LIDL	1	[✂]	[✂]	[✂]
5	Piscopo's Cash and Carry	1	[✂]	[✂]	[✂]
6	Scotts	1	[✂]	[✂]	[✂]
7	Vella Supermarket	1	[✂]	[✂]	[✂]
	Total Supermarkets	9	[✂]	100.0%	3,543.2

Change in HHI

212.3

Scenario 4 – Valyou Supermarket (Mellieha)

Pre-Merger

No	Supermarket	No. of Stores	Revenue Estimate (€000s)	Market Share	Market Share Squared
1	Valyou Supermarket	1	[✂]	[✂]	[✂]
2	Trolees Supermarket	1	[✂]	[✂]	[✂]
3	Iceland Store	2	[✂]	[✂]	[✂]
4	J&L Supermarket	1	[✂]	[✂]	[✂]
5	LIDL	1	[✂]	[✂]	[✂]
6	Piscopo's Cash and Carry	1	[✂]	[✂]	[✂]
7	Scotts	1	[✂]	[✂]	[✂]
8	Vella Supermarket	1	[✂]	[✂]	[✂]
	Total Supermarkets	9	[✂]	100.0%	3,330.9

Post-Merger

No	Supermarket	No. of Stores	Revenue Estimate (€000s)	Market Share	Market Share Squared
1	Retail Marketing Limited	2	[✂]	[✂]	[✂]
2	Iceland Store	2	[✂]	[✂]	[✂]
3	J&L Supermarket	1	[✂]	[✂]	[✂]
4	LIDL	1	[✂]	[✂]	[✂]
5	Piscopo's Cash and Carry	1	[✂]	[✂]	[✂]
6	Scotts	1	[✂]	[✂]	[✂]
7	Vella Supermarket	1	[✂]	[✂]	[✂]
	Total Supermarkets	9	[✂]	100.0%	3,543.2

Change in HHI

212.3

Scenario 1 – Tower Supermarket

Pre-Merger

No	Supermarket	No. of Stores	Revenue Estimate (€000s)	Market Share	Market Share Squared
1	Valyou Group	3	[✂]	[✂]	[✂]
2	Park Towers	2	[✂]	[✂]	[✂]
3	A.D. Supermarket	1	[✂]	[✂]	[✂]
4	Chain Supermarket	1	[✂]	[✂]	[✂]
5	Gala Centre Supermarket	1	[✂]	[✂]	[✂]
6	Greens Supermarket	1	[✂]	[✂]	[✂]
7	JK Supermarket	1	[✂]	[✂]	[✂]
8	LIDL Malta	2	[✂]	[✂]	[✂]
9	Q Market	1	[✂]	[✂]	[✂]
10	Savemart Supermarket	1	[✂]	[✂]	[✂]
11	Scotts	2	[✂]	[✂]	[✂]
12	SPAR	1	[✂]	[✂]	[✂]
13	Vegimania	1	[✂]	[✂]	[✂]
	Total Supermarkets	18	[✂]	100.0%	1,722

Post-Merger

No	Supermarket	No. of Stores	Revenue Estimate (€000s)	Market Share	Market Share Squared
1	Retail Marketing Limited	5	[✂]	[✂]	[✂]
2	A.D. Supermarket	1	[✂]	[✂]	[✂]
3	Chain Supermarket	1	[✂]	[✂]	[✂]
4	Gala Centre Supermarket	1	[✂]	[✂]	[✂]
5	Greens Supermarket	1	[✂]	[✂]	[✂]
6	JK Supermarket	1	[✂]	[✂]	[✂]
7	LIDL Malta	2	[✂]	[✂]	[✂]
8	Q Market	1	[✂]	[✂]	[✂]
9	Savemart Supermarket	1	[✂]	[✂]	[✂]
10	Scotts	2	[✂]	[✂]	[✂]
11	SPAR	1	[✂]	[✂]	[✂]
12	Vegimania	1	[✂]	[✂]	[✂]
	Total Supermarkets	18	[✂]	100.0%	2,332

Change in HHI

609.9

Scenario 2 – Tower Supermarket

Pre-Merger

No	Supermarket	No. of Stores	Revenue Estimate (€000s)	Market Share	Market Share Squared
1	Valyou Group	3	[✂]	[✂]	[✂]
2	Park Towers	2	[✂]	[✂]	[✂]
3	A.D. Supermarket	1	[✂]	[✂]	[✂]
4	Chain Supermarket	1	[✂]	[✂]	[✂]
5	Gala Centre Supermarket	1	[✂]	[✂]	[✂]
6	Greens Supermarket	1	[✂]	[✂]	[✂]
7	JK Supermarket	1	[✂]	[✂]	[✂]
8	LIDL Malta	3	[✂]	[✂]	[✂]
9	PAVI Supermarket	1	[✂]	[✂]	[✂]
10	Q Market	1	[✂]	[✂]	[✂]
11	Savemart Supermarket	1	[✂]	[✂]	[✂]
12	Scotts	3	[✂]	[✂]	[✂]
13	Smart Supermarket	1	[✂]	[✂]	[✂]
14	SPAR	1	[✂]	[✂]	[✂]
15	Vegimania	1	[✂]	[✂]	[✂]
	Total Supermarkets	22	[✂]	100.0%	1,429

Post-Merger

No	Supermarket	No. of Stores	Revenue Estimate (€000s)	Market Share	Market Share Squared
1	Retail Marketing Limited	5	[✂]	[✂]	[✂]
2	A.D. Supermarket	1	[✂]	[✂]	[✂]
3	Chain Supermarket	1	[✂]	[✂]	[✂]
4	Gala Centre Supermarket	1	[✂]	[✂]	[✂]
5	Greens Supermarket	1	[✂]	[✂]	[✂]
6	JK Supermarket	1	[✂]	[✂]	[✂]
7	LIDL Malta	3	[✂]	[✂]	[✂]
8	PAVI Supermarket	1	[✂]	[✂]	[✂]
9	Q Market	1	[✂]	[✂]	[✂]
10	Savemart Supermarket	1	[✂]	[✂]	[✂]
11	Scotts	3	[✂]	[✂]	[✂]
12	Smart Supermarket	1	[✂]	[✂]	[✂]
13	SPAR	1	[✂]	[✂]	[✂]
14	Vegimania	1	[✂]	[✂]	[✂]
	Total Supermarkets	22	[✂]	100.0%	1,677

Change in HHI

247.8

Scenario 3 – Tower Supermarket

Pre-Merger

No	Supermarket	No. of Stores	Revenue Estimate (€000s)	Market Share	Market Share Squared
1	Valyou Group	3	[✂]	[✂]	[✂]
2	Park Towers	2	[✂]	[✂]	[✂]
3	A.D. Supermarket	1	[✂]	[✂]	[✂]
4	Chain Supermarket	1	[✂]	[✂]	[✂]
5	Gala Centre Supermarket	1	[✂]	[✂]	[✂]
6	Greens Supermarket	1	[✂]	[✂]	[✂]
7	JK Supermarket	1	[✂]	[✂]	[✂]
8	LIDL Malta	3	[✂]	[✂]	[✂]
9	PAVI Supermarket	1	[✂]	[✂]	[✂]
10	Q Market	1	[✂]	[✂]	[✂]
11	Savemart Supermarket	1	[✂]	[✂]	[✂]
12	Scotts	3	[✂]	[✂]	[✂]
13	SPAR	1	[✂]	[✂]	[✂]
14	Vegimania	1	[✂]	[✂]	[✂]
	Total Supermarkets	21	[✂]	100.0%	1,666

Post-Merger

No	Supermarket	No. of Stores	Revenue Estimate (€000s)	Market Share	Market Share Squared
1	Retail Marketing Limited	5	[✂]	[✂]	[✂]
2	A.D. Supermarket	1	[✂]	[✂]	[✂]
3	Chain Supermarket	1	[✂]	[✂]	[✂]
4	Gala Centre Supermarket	1	[✂]	[✂]	[✂]
5	Greens Supermarket	1	[✂]	[✂]	[✂]
6	JK Supermarket	1	[✂]	[✂]	[✂]
7	LIDL Malta	3	[✂]	[✂]	[✂]
8	PAVI Supermarket	1	[✂]	[✂]	[✂]
9	Q Market	1	[✂]	[✂]	[✂]
10	Savemart Supermarket	1	[✂]	[✂]	[✂]
11	Scotts	3	[✂]	[✂]	[✂]
12	SPAR	1	[✂]	[✂]	[✂]
13	Vegimania	1	[✂]	[✂]	[✂]
	Total Supermarkets	21	[✂]	100.0%	1,995

Change in HHI

329.3

Scenario 4 – Tower Supermarket

Pre-Merger

No	Supermarket	No. of Stores	Revenue Estimate (€000s)	Market Share	Market Share Squared
1	Valyou Group	3	[✂]	[✂]	[✂]
2	Park Towers	2	[✂]	[✂]	[✂]
3	A.D. Supermarket	1	[✂]	[✂]	[✂]
4	Chain Supermarket	2	[✂]	[✂]	[✂]
5	Gala Centre Supermarket	1	[✂]	[✂]	[✂]
6	Greens Supermarket	1	[✂]	[✂]	[✂]
7	JK Supermarket	1	[✂]	[✂]	[✂]
8	LIDL Malta	4	[✂]	[✂]	[✂]
9	PG Group	2	[✂]	[✂]	[✂]
10	Q Market	1	[✂]	[✂]	[✂]
11	Savemart Supermarket	1	[✂]	[✂]	[✂]
12	Scotts	3	[✂]	[✂]	[✂]
13	Smart Supermarket	1	[✂]	[✂]	[✂]
14	SPAR	1	[✂]	[✂]	[✂]
15	Vegimania	1	[✂]	[✂]	[✂]
	Total Supermarkets	25	[✂]	100.0%	1,669

Post-Merger

No	Supermarket	No. of Stores	Revenue Estimate (€000s)	Market Share	Market Share Squared
1	Retail Marketing Limited	5	[✂]	[✂]	[✂]
2	A.D. Supermarket	1	[✂]	[✂]	[✂]
3	Chain Supermarket	2	[✂]	[✂]	[✂]
4	Gala Centre Supermarket	1	[✂]	[✂]	[✂]
5	Greens Supermarket	1	[✂]	[✂]	[✂]
6	JK Supermarket	1	[✂]	[✂]	[✂]
7	LIDL Malta	4	[✂]	[✂]	[✂]
8	PG Group	2	[✂]	[✂]	[✂]
9	Q Market	1	[✂]	[✂]	[✂]
10	Savemart Supermarket	1	[✂]	[✂]	[✂]
11	Scotts	3	[✂]	[✂]	[✂]
12	Smart Supermarket	1	[✂]	[✂]	[✂]
13	SPAR	1	[✂]	[✂]	[✂]
14	Vegimania	1	[✂]	[✂]	[✂]
	Total Supermarkets	25	[✂]	100.0%	1,816

Change in HHI

146.3

Scenario 1 – Valyou Pendergardens

Pre-Merger

No	Supermarket	No. of Stores	Revenue Estimate (€000s)	Market Share	Market Share Squared
1	Valyou Group	3	[✂]	[✂]	[✂]
2	Park Towers	2	[✂]	[✂]	[✂]
3	A.D. Supermarket	1	[✂]	[✂]	[✂]
4	Chain Supermarket	1	[✂]	[✂]	[✂]
5	Gala Centre Supermarket	1	[✂]	[✂]	[✂]
6	Greens Supermarket	1	[✂]	[✂]	[✂]
7	JK Supermarket	1	[✂]	[✂]	[✂]
8	LIDL Malta	3	[✂]	[✂]	[✂]
9	PG Group	2	[✂]	[✂]	[✂]
10	Piscopo Cash and Carry	1	[✂]	[✂]	[✂]
11	Q Market	1	[✂]	[✂]	[✂]
12	Savemart Supermarket	1	[✂]	[✂]	[✂]
13	Scotts	4	[✂]	[✂]	[✂]
14	Smart Supermarket	1	[✂]	[✂]	[✂]
15	SPAR	1	[✂]	[✂]	[✂]
16	Vegimania	1	[✂]	[✂]	[✂]
	Total Supermarkets	25	[✂]	100.0%	1,564

Post-Merger

No	Supermarket	No. of Stores	Revenue Estimate (€000s)	Market Share	Market Share Squared
1	Retail Marketing Limited	5	[X]	[X]	[X]
2	A.D. Supermarket	1	[X]	[X]	[X]
3	Chain Supermarket	1	[X]	[X]	[X]
4	Gala Centre Supermarket	1	[X]	[X]	[X]
5	Greens Supermarket	1	[X]	[X]	[X]
6	JK Supermarket	1	[X]	[X]	[X]
7	LIDL Malta	3	[X]	[X]	[X]
8	PG Group	2	[X]	[X]	[X]
9	Piscopo Cash and Carry	1	[X]	[X]	[X]
10	Q Market	1	[X]	[X]	[X]
11	Savemart Supermarket	1	[X]	[X]	[X]
12	Scotts	4	[X]	[X]	[X]
13	Smart Supermarket	1	[X]	[X]	[X]
14	SPAR	1	[X]	[X]	[X]
15	Vegimania	1	[X]	[X]	[X]
	Total Supermarkets	25	[X]	100.0%	1,719

Change in HHI

154.7

Scenario 2 – Valyou Pendergardens

Pre-Merger

No	Supermarket	No. of Stores	Revenue Estimate (€000s)	Market Share	Market Share Squared
1	Valyou Group	3	[✂]	[✂]	[✂]
2	Park Towers	2	[✂]	[✂]	[✂]
3	A.D. Supermarket	1	[✂]	[✂]	[✂]
4	Chain Supermarket	1	[✂]	[✂]	[✂]
5	Gala Centre Supermarket	1	[✂]	[✂]	[✂]
6	Greens Supermarket	1	[✂]	[✂]	[✂]
7	JK Supermarket	1	[✂]	[✂]	[✂]
8	LIDL Malta	5	[✂]	[✂]	[✂]
9	PG Group	2	[✂]	[✂]	[✂]
10	Piscopo Cash and Carry	1	[✂]	[✂]	[✂]
11	Q Market	1	[✂]	[✂]	[✂]
12	Savemart Supermarket	1	[✂]	[✂]	[✂]
13	Scotts	5	[✂]	[✂]	[✂]
14	Smart Supermarket	1	[✂]	[✂]	[✂]
15	SPAR	1	[✂]	[✂]	[✂]
16	Vegimania	1	[✂]	[✂]	[✂]
	Total Supermarkets	28	[✂]	100.0%	1,838

Post-Merger

No	Supermarket	No. of Stores	Revenue Estimate (€000s)	Market Share	Market Share Squared
1	Retail Marketing Limited	5	[X]	[X]	[X]
2	A.D. Supermarket	1	[X]	[X]	[X]
3	Chain Supermarket	1	[X]	[X]	[X]
4	Gala Centre Supermarket	1	[X]	[X]	[X]
5	Greens Supermarket	1	[X]	[X]	[X]
6	JK Supermarket	1	[X]	[X]	[X]
7	LIDL Malta	5	[X]	[X]	[X]
8	PG Group	2	[X]	[X]	[X]
9	Piscopo Cash and Carry	1	[X]	[X]	[X]
10	Q Market	1	[X]	[X]	[X]
11	Savemart Supermarket	1	[X]	[X]	[X]
12	Scotts	5	[X]	[X]	[X]
13	Smart Supermarket	1	[X]	[X]	[X]
14	SPAR	1	[X]	[X]	[X]
15	Vegimania	1	[X]	[X]	[X]
	Total Supermarkets	28	[X]	100.0%	1,947

Change in HHI

108.2

Scenario 3 – Valyou Pendergardens

Pre-Merger

No	Supermarket	No. of Stores	Revenue Estimate (€000s)	Market Share	Market Share Squared
1	Valyou Group	3	[✂]	[✂]	[✂]
2	Park Towers	2	[✂]	[✂]	[✂]
3	A.D. Supermarket	1	[✂]	[✂]	[✂]
4	Chain Supermarket	3	[✂]	[✂]	[✂]
5	EL Panadero	1	[✂]	[✂]	[✂]
6	G&G Supermarket	1	[✂]	[✂]	[✂]
7	Gala Centre Supermarket	1	[✂]	[✂]	[✂]
8	Greens Supermarket	1	[✂]	[✂]	[✂]
9	Iceland	2	[✂]	[✂]	[✂]
10	JK Supermarket	1	[✂]	[✂]	[✂]
11	LIDL Malta	5	[✂]	[✂]	[✂]
12	PG Group	2	[✂]	[✂]	[✂]
13	Piscopo Cash and Carry	1	[✂]	[✂]	[✂]
14	Q Market	1	[✂]	[✂]	[✂]
15	Savemart Supermarket	1	[✂]	[✂]	[✂]
16	Scotts	6	[✂]	[✂]	[✂]
17	Smart Supermarket	1	[✂]	[✂]	[✂]
18	SPAR	1	[✂]	[✂]	[✂]
19	Vegimania	1	[✂]	[✂]	[✂]
	Total Supermarkets	35	[✂]	100.0%	1,629

Post-Merger

No	Supermarket	No. of Stores	Revenue Estimate (€000s)	Market Share	Market Share Squared
1	Retail Marketing Limited	5	[X]	[X]	[X]
2	A.D. Supermarket	1	[X]	[X]	[X]
3	Chain Supermarket	3	[X]	[X]	[X]
4	EL Panadero	1	[X]	[X]	[X]
5	G&G Supermarket	1	[X]	[X]	[X]
6	Gala Centre Supermarket	1	[X]	[X]	[X]
7	Greens Supermarket	1	[X]	[X]	[X]
8	Iceland	2	[X]	[X]	[X]
9	JK Supermarket	1	[X]	[X]	[X]
10	LIDL Malta	5	[X]	[X]	[X]
11	PG Group	2	[X]	[X]	[X]
12	Piscopo Cash and Carry	1	[X]	[X]	[X]
13	Q Market	1	[X]	[X]	[X]
14	Savemart Supermarket	1	[X]	[X]	[X]
15	Scotts	6	[X]	[X]	[X]
16	Smart Supermarket	1	[X]	[X]	[X]
17	SPAR	1	[X]	[X]	[X]
18	Vegimania	1	[X]	[X]	[X]
	Total Supermarkets	35	[X]	100.0%	1,723

Change in HHI

93.6

Scenario 4 – Valyou Pendergardens

Pre-Merger

No	Supermarket	No. of Stores	Revenue Estimate (€000s)	Market Share	Market Share Squared
1	Valyou Group	3	[✂]	[✂]	[✂]
2	Park Towers	2	[✂]	[✂]	[✂]
3	A.D. Supermarket	1	[✂]	[✂]	[✂]
4	Chain Supermarket	3	[✂]	[✂]	[✂]
5	Daves	1	[✂]	[✂]	[✂]
6	EL Panadero	1	[✂]	[✂]	[✂]
7	G&G Supermarket	1	[✂]	[✂]	[✂]
8	Gala Centre Supermarket	1	[✂]	[✂]	[✂]
9	Greens Supermarket	1	[✂]	[✂]	[✂]
10	Iceland	1	[✂]	[✂]	[✂]
11	JK Supermarket	1	[✂]	[✂]	[✂]
12	LIDL Malta	5	[✂]	[✂]	[✂]
13	PG Group	2	[✂]	[✂]	[✂]
14	Piscopo Cash and Carry	1	[✂]	[✂]	[✂]
15	Q Market	1	[✂]	[✂]	[✂]
16	Savemart Supermarket	1	[✂]	[✂]	[✂]
17	Scotts	6	[✂]	[✂]	[✂]
18	Smart Supermarket	1	[✂]	[✂]	[✂]
19	SPAR	1	[✂]	[✂]	[✂]
20	Vegimania	1	[✂]	[✂]	[✂]
	Total Supermarkets	35	[✂]	100.0%	1,608

Post-Merger

No	Supermarket	No. of Stores	Revenue Estimate (€000s)	Market Share	Market Share Squared
1	Retail Marketing Limited	5	[✂]	[✂]	[✂]
2	A.D. Supermarket	1	[✂]	[✂]	[✂]
3	Chain Supermarket	3	[✂]	[✂]	[✂]
4	Daves	1	[✂]	[✂]	[✂]
5	EL Panadero	1	[✂]	[✂]	[✂]
6	G&G Supermarket	1	[✂]	[✂]	[✂]
7	Gala Centre Supermarket	1	[✂]	[✂]	[✂]
8	Greens Supermarket	1	[✂]	[✂]	[✂]
9	Iceland	1	[✂]	[✂]	[✂]
10	JK Supermarket	1	[✂]	[✂]	[✂]
11	LIDL Malta	5	[✂]	[✂]	[✂]
12	PG Group	2	[✂]	[✂]	[✂]
13	Piscopo Cash and Carry	1	[✂]	[✂]	[✂]
14	Q Market	1	[✂]	[✂]	[✂]
15	Savemart Supermarket	1	[✂]	[✂]	[✂]
16	Scotts	6	[✂]	[✂]	[✂]
17	Smart Supermarket	1	[✂]	[✂]	[✂]
18	SPAR	1	[✂]	[✂]	[✂]
19	Vegimania	1	[✂]	[✂]	[✂]
	Total Supermarkets	35	[✂]	100.0%	1,700

Change in HHI

92.3

Scenario 1 – Valyou Naxxar

Pre-Merger

No	Supermarket	No. of Stores	Revenue Estimate (€000s)	Market Share	Market Share Squared
1	Valyou Group	3	[✂]	[✂]	[✂]
2	Park Towers	2	[✂]	[✂]	[✂]
3	Trolees Discount Store	1	[✂]	[✂]	[✂]
4	A.D. Supermarket	1	[✂]	[✂]	[✂]
5	Chain Supermarket	1	[✂]	[✂]	[✂]
6	Daves Supermarket	1	[✂]	[✂]	[✂]
7	El Panadero	1	[✂]	[✂]	[✂]
8	G&G Self Service	1	[✂]	[✂]	[✂]
9	Gala Centre Supermarket	1	[✂]	[✂]	[✂]
10	Greens Supermarket	1	[✂]	[✂]	[✂]
11	Iceland Stores	2	[✂]	[✂]	[✂]
12	J&L Supermarket	1	[✂]	[✂]	[✂]
13	JK Supermarket	1	[✂]	[✂]	[✂]
14	LIDL Malta	3	[✂]	[✂]	[✂]
15	PG Group	2	[✂]	[✂]	[✂]
16	Piscopo Cash and Carry	1	[✂]	[✂]	[✂]
17	Q Market	1	[✂]	[✂]	[✂]
18	Savemart Supermarket	1	[✂]	[✂]	[✂]
19	Scotts	6	[✂]	[✂]	[✂]
20	Smart Supermarket	1	[✂]	[✂]	[✂]
21	SPAR	1	[✂]	[✂]	[✂]
22	Vegimania	1	[✂]	[✂]	[✂]
23	Vella Supermarket	1	[✂]	[✂]	[✂]
	Total Supermarkets	35	[✂]	100.0%	1,352

Post-Merger

No	Supermarket	No. of Stores	Revenue Estimate (€000s)	Market Share	Market Share Squared
1	Retail Marketing Limited	6	[X]	[X]	[X]
2	A.D. Supermarket	1	[X]	[X]	[X]
3	Chain Supermarket	1	[X]	[X]	[X]
4	Daves Supermarket	1	[X]	[X]	[X]
5	El Panadero	1	[X]	[X]	[X]
6	G&G Self Service	1	[X]	[X]	[X]
7	Gala Centre Supermarket	1	[X]	[X]	[X]
8	Greens Supermarket	1	[X]	[X]	[X]
9	Iceland Stores	2	[X]	[X]	[X]
10	J&L Supermarket	1	[X]	[X]	[X]
11	JK Supermarket	1	[X]	[X]	[X]
12	LIDL Malta	3	[X]	[X]	[X]
13	PG Group	2	[X]	[X]	[X]
14	Piscopo Cash and Carry	1	[X]	[X]	[X]
15	Q Market	1	[X]	[X]	[X]
16	Savemart Supermarket	1	[X]	[X]	[X]
17	Scotts	6	[X]	[X]	[X]
18	Smart Supermarket	1	[X]	[X]	[X]
19	SPAR	1	[X]	[X]	[X]
20	Vegimania	1	[X]	[X]	[X]
21	Vella Supermarket	1	[X]	[X]	[X]
	Total Supermarkets	35	[X]	100.0%	1,545.3

Change in HHI

192.9

Scenario 2 – Valyou Naxxar

Pre-Merger

No	Supermarket	No. of Stores	Revenue Estimate (€000s)	Market Share	Market Share Squared
1	Valyou Group	3	[✂]	[✂]	[✂]
2	Park Towers	2	[✂]	[✂]	[✂]
3	Trolees Discount Store	1	[✂]	[✂]	[✂]
4	A.D. Supermarket	1	[✂]	[✂]	[✂]
5	Chain Supermarket	1	[✂]	[✂]	[✂]
6	Daves Supermarket	1	[✂]	[✂]	[✂]
7	El Panadero	1	[✂]	[✂]	[✂]
8	G&G Self Service	1	[✂]	[✂]	[✂]
9	Gala Centre Supermarket	1	[✂]	[✂]	[✂]
10	Greens Supermarket	1	[✂]	[✂]	[✂]
11	Iceland Stores	2	[✂]	[✂]	[✂]
12	JK Supermarket	1	[✂]	[✂]	[✂]
13	LIDL Malta	4	[✂]	[✂]	[✂]
14	PG Group	2	[✂]	[✂]	[✂]
15	Piscopo Cash and Carry	1	[✂]	[✂]	[✂]
16	Q Market	1	[✂]	[✂]	[✂]
17	Savemart Supermarket	1	[✂]	[✂]	[✂]
18	Scotts	6	[✂]	[✂]	[✂]
19	Smart Supermarket	1	[✂]	[✂]	[✂]
20	SPAR	1	[✂]	[✂]	[✂]
21	Vegimania	1	[✂]	[✂]	[✂]
	Total Supermarkets	34	[✂]	100.0%	1,565.1

Post-Merger

No	Supermarket	No. of Stores	Revenue Estimate (€000s)	Market Share	Market Share Squared
1	Retail Marketing Limited	6	[✂]	[✂]	[✂]
2	A.D. Supermarket	1	[✂]	[✂]	[✂]
3	Chain Supermarket	1	[✂]	[✂]	[✂]
4	Daves Supermarket	1	[✂]	[✂]	[✂]
5	El Panadero	1	[✂]	[✂]	[✂]
6	G&G Self Service	1	[✂]	[✂]	[✂]
7	Gala Centre Supermarket	1	[✂]	[✂]	[✂]
8	Greens Supermarket	1	[✂]	[✂]	[✂]
9	Iceland Stores	2	[✂]	[✂]	[✂]
10	JK Supermarket	1	[✂]	[✂]	[✂]
11	LIDL Malta	4	[✂]	[✂]	[✂]
12	PG Group	2	[✂]	[✂]	[✂]
13	Piscopo Cash and Carry	1	[✂]	[✂]	[✂]
14	Q Market	1	[✂]	[✂]	[✂]
15	Savemart Supermarket	1	[✂]	[✂]	[✂]
16	Scotts	6	[✂]	[✂]	[✂]
17	Smart Supermarket	1	[✂]	[✂]	[✂]
18	SPAR	1	[✂]	[✂]	[✂]
19	Vegimania	1	[✂]	[✂]	[✂]
	Total Supermarkets	34	[✂]	100.0%	1,715.2

Change in HHI

150.1

Scenario 3 – Valyou Naxxar

Pre-Merger

No	Supermarket	No. of Stores	Revenue Estimate (€000s)	Market Share	Market Share Squared
1	Valyou Group	3	[✂]	[✂]	[✂]
2	Park Towers	2	[✂]	[✂]	[✂]
3	Trolees Discount Store	1	[✂]	[✂]	[✂]
4	A.D. Supermarket	1	[✂]	[✂]	[✂]
5	Chain Supermarket	1	[✂]	[✂]	[✂]
6	Daves Supermarket	1	[✂]	[✂]	[✂]
7	El Panadero	1	[✂]	[✂]	[✂]
8	G&G Self Service	1	[✂]	[✂]	[✂]
9	Gala Centre Supermarket	1	[✂]	[✂]	[✂]
10	Greens Supermarket	1	[✂]	[✂]	[✂]
11	Iceland Stores	2	[✂]	[✂]	[✂]
12	JK Supermarket	1	[✂]	[✂]	[✂]
13	LIDL Malta	4	[✂]	[✂]	[✂]
14	PG Group	2	[✂]	[✂]	[✂]
15	Piscopopo Cash and Carry	1	[✂]	[✂]	[✂]
16	Q Market	1	[✂]	[✂]	[✂]
17	Savemart Supermarket	1	[✂]	[✂]	[✂]
18	Scotts	6	[✂]	[✂]	[✂]
19	Smart Supermarket	1	[✂]	[✂]	[✂]
20	SPAR	1	[✂]	[✂]	[✂]
21	Vegimania	1	[✂]	[✂]	[✂]
22	Vella Supermarket	1	[✂]	[✂]	[✂]
	Total Supermarkets	35	[✂]	100.0%	1,563

Post-Merger

No	Supermarket	No. of Stores	Revenue Estimate (€000s)	Market Share	Market Share Squared
1	Retail Marketing Limited	6	[✂]	[✂]	[✂]
2	A.D. Supermarket	1	[✂]	[✂]	[✂]
3	Chain Supermarket	1	[✂]	[✂]	[✂]
4	Daves Supermarket	1	[✂]	[✂]	[✂]
5	El Panadero	1	[✂]	[✂]	[✂]
6	G&G Self Service	1	[✂]	[✂]	[✂]
7	Gala Centre Supermarket	1	[✂]	[✂]	[✂]
8	Greens Supermarket	1	[✂]	[✂]	[✂]
9	Iceland Stores	2	[✂]	[✂]	[✂]
10	JK Supermarket	1	[✂]	[✂]	[✂]
11	LIDL Malta	4	[✂]	[✂]	[✂]
12	PG Group	2	[✂]	[✂]	[✂]
13	Piscopo Cash and Carry	1	[✂]	[✂]	[✂]
14	Q Market	1	[✂]	[✂]	[✂]
15	Savemart Supermarket	1	[✂]	[✂]	[✂]
16	Scotts	6	[✂]	[✂]	[✂]
17	Smart Supermarket	1	[✂]	[✂]	[✂]
18	SPAR	1	[✂]	[✂]	[✂]
19	Vegimania	1	[✂]	[✂]	[✂]
20	Vella Supermarket	1	[✂]	[✂]	[✂]
	Total Supermarkets	35	[✂]	100.0%	1,713

Change in HHI

149.9

Scenario 4 – Valyou Naxxar

Pre-Merger

No	Supermarket	No. of Stores	Revenue Estimate (€000s)	Market Share	Market Share Squared
1	Valyou Group	3	[✂]	[✂]	[✂]
2	Park Towers	2	[✂]	[✂]	[✂]
3	Trolees Discount Store	1	[✂]	[✂]	[✂]
4	A.D. Supermarket	1	[✂]	[✂]	[✂]
5	Chain Supermarket	1	[✂]	[✂]	[✂]
6	Daves Supermarket	1	[✂]	[✂]	[✂]
7	El Panadero	1	[✂]	[✂]	[✂]
8	G&G Self Service	1	[✂]	[✂]	[✂]
9	Gala Centre Supermarket	1	[✂]	[✂]	[✂]
10	Greens Supermarket	1	[✂]	[✂]	[✂]
11	Iceland Stores	2	[✂]	[✂]	[✂]
12	J&L Supermarket	1	[✂]	[✂]	[✂]
13	JK Supermarket	1	[✂]	[✂]	[✂]
14	LIDL Malta	7	[✂]	[✂]	[✂]
15	PG Group	2	[✂]	[✂]	[✂]
16	Piscopo Cash and Carry	1	[✂]	[✂]	[✂]
17	Q Market	1	[✂]	[✂]	[✂]
18	Savemart Supermarket	1	[✂]	[✂]	[✂]
19	Scotts	6	[✂]	[✂]	[✂]
20	Smart Supermarket	1	[✂]	[✂]	[✂]
21	SPAR	1	[✂]	[✂]	[✂]
22	Vegimania	1	[✂]	[✂]	[✂]
23	Vella Supermarket	1	[✂]	[✂]	[✂]
	Total Supermarkets	39	[✂]	100.0%	1,949

Post-Merger

No	Supermarket	No. of Stores	Revenue Estimate (€000s)	Market Share	Market Share Squared
1	Retail Marketing Limited	6	[X]	[X]	[X]
2	A.D. Supermarket	1	[X]	[X]	[X]
3	Chain Supermarket	1	[X]	[X]	[X]
4	Daves Supermarket	1	[X]	[X]	[X]
5	El Panadero	1	[X]	[X]	[X]
6	G&G Self Service	1	[X]	[X]	[X]
7	Gala Centre Supermarket	1	[X]	[X]	[X]
8	Greens Supermarket	1	[X]	[X]	[X]
9	Iceland Stores	2	[X]	[X]	[X]
10	J&L Supermarket	1	[X]	[X]	[X]
11	JK Supermarket	1	[X]	[X]	[X]
12	LIDL Malta	7	[X]	[X]	[X]
13	PG Group	2	[X]	[X]	[X]
14	Piscopo Cash and Carry	1	[X]	[X]	[X]
15	Q Market	1	[X]	[X]	[X]
16	Savemart Supermarket	1	[X]	[X]	[X]
17	Scotts	6	[X]	[X]	[X]
18	Smart Supermarket	1	[X]	[X]	[X]
19	SPAR	1	[X]	[X]	[X]
20	Vegimania	1	[X]	[X]	[X]
21	Vella Supermarket	1	[X]	[X]	[X]
	Total Supermarkets	39	[X]	100.0%	2,063

Change in HHI

113.9

Scenario 1 – Park Towers Santa Venera

Pre-Merger

No	Supermarket	No. of Stores	Revenue Estimate (€000s)	Market Share	Market Share Squared
1	Park Towers	2	[✂]	[✂]	[✂]
2	Valyou Group	3	[✂]	[✂]	[✂]
3	A.D. Supermarket	1	[✂]	[✂]	[✂]
4	Chain Supermarket	2	[✂]	[✂]	[✂]
5	Daves Supermarket	1	[✂]	[✂]	[✂]
6	El Panadero	1	[✂]	[✂]	[✂]
7	G&G Self Service	1	[✂]	[✂]	[✂]
8	Gala Centre Supermarket	1	[✂]	[✂]	[✂]
9	Greens Supermarket	1	[✂]	[✂]	[✂]
10	JK Supermarket	1	[✂]	[✂]	[✂]
11	LIDL Malta	4	[✂]	[✂]	[✂]
12	PG Group	2	[✂]	[✂]	[✂]
13	Q Market	1	[✂]	[✂]	[✂]
14	Savemart Supermarket	1	[✂]	[✂]	[✂]
15	Scotts	5	[✂]	[✂]	[✂]
16	Smart Supermarket	1	[✂]	[✂]	[✂]
17	SPAR	1	[✂]	[✂]	[✂]
18	Vegimania	1	[✂]	[✂]	[✂]
	Total Supermarkets	30	[✂]	100.0%	1,544

Post-Merger

No	Supermarket	No. of Stores	Revenue Estimate (€000s)	Market Share	Market Share Squared
1	Retail Marketing Limited	5	[✂]	[✂]	[✂]
2	A.D. Supermarket	1	[✂]	[✂]	[✂]
3	Chain Supermarket	2	[✂]	[✂]	[✂]
4	Daves Supermarket	1	[✂]	[✂]	[✂]
5	El Panadero	1	[✂]	[✂]	[✂]
6	G&G Self Service	1	[✂]	[✂]	[✂]
7	Gala Centre Supermarket	1	[✂]	[✂]	[✂]
8	Greens Supermarket	1	[✂]	[✂]	[✂]
9	JK Supermarket	1	[✂]	[✂]	[✂]
10	LIDL Malta	4	[✂]	[✂]	[✂]
11	PG Group	2	[✂]	[✂]	[✂]
12	Q Market	1	[✂]	[✂]	[✂]
13	Savemart Supermarket	1	[✂]	[✂]	[✂]
14	Scotts	5	[✂]	[✂]	[✂]
15	Smart Supermarket	1	[✂]	[✂]	[✂]
16	SPAR	1	[✂]	[✂]	[✂]
17	Vegimania	1	[✂]	[✂]	[✂]
	Total Supermarkets	30	[✂]	100.0%	1,677

Change in HHI

133.1

Scenario 2 – Park Towers Santa Venera

Pre-Merger

No	Supermarket	No. of Stores	Revenue Estimate (€000s)	Market Share	Market Share Squared
1	Park Towers	2	[✂]	[✂]	[✂]
2	Valyou Group	3	[✂]	[✂]	[✂]
3	A.D. Supermarket	1	[✂]	[✂]	[✂]
4	Chain Supermarket	3	[✂]	[✂]	[✂]
5	Chef Choice	1	[✂]	[✂]	[✂]
6	Daves Supermarket	1	[✂]	[✂]	[✂]
7	El Panadero	1	[✂]	[✂]	[✂]
8	G&G Self Service	1	[✂]	[✂]	[✂]
9	Gala Centre Supermarket	1	[✂]	[✂]	[✂]
10	Greens Supermarket	1	[✂]	[✂]	[✂]
11	Iceland	1	[✂]	[✂]	[✂]
12	JK Supermarket	1	[✂]	[✂]	[✂]
13	LIDL Malta	5	[✂]	[✂]	[✂]
14	PG Group	2	[✂]	[✂]	[✂]
15	Q Market	1	[✂]	[✂]	[✂]
16	Savemart Supermarket	1	[✂]	[✂]	[✂]
17	Scotts	7	[✂]	[✂]	[✂]
18	Smart Supermarket	1	[✂]	[✂]	[✂]
19	SPAR	1	[✂]	[✂]	[✂]
20	Vegimania	1	[✂]	[✂]	[✂]
	Total Supermarkets	36	[✂]	100.0%	1,643

Post-Merger

No	Supermarket	No. of Stores	Revenue Estimate (€000s)	Market Share	Market Share Squared
1	Retail Marketing Limited	5	[✂]	[✂]	[✂]
2	A.D. Supermarket	1	[✂]	[✂]	[✂]
3	Chain Supermarket	3	[✂]	[✂]	[✂]
4	Chef Choice	1	[✂]	[✂]	[✂]
5	Daves Supermarket	1	[✂]	[✂]	[✂]
6	El Panadero	1	[✂]	[✂]	[✂]
7	G&G Self Service	1	[✂]	[✂]	[✂]
8	Gala Centre Supermarket	1	[✂]	[✂]	[✂]
9	Greens Supermarket	1	[✂]	[✂]	[✂]
10	Iceland	1	[✂]	[✂]	[✂]
11	JK Supermarket	1	[✂]	[✂]	[✂]
12	LIDL Malta	5	[✂]	[✂]	[✂]
13	PG Group	2	[✂]	[✂]	[✂]
14	Q Market	1	[✂]	[✂]	[✂]
15	Savemart Supermarket	1	[✂]	[✂]	[✂]
16	Scotts	7	[✂]	[✂]	[✂]
17	Smart Supermarket	1	[✂]	[✂]	[✂]
18	SPAR	1	[✂]	[✂]	[✂]
19	Vegimania	1	[✂]	[✂]	[✂]
	Total Supermarkets	36	[✂]	100.0%	1,736

Change in HHI

93.4

Scenario 3 – Park Towers Santa Venera

Pre-Merger

No	Supermarket	No. of Stores	Revenue Estimate (€000s)	Market Share	Market Share Squared
1	Park Towers	2	[✂]	[✂]	[✂]
2	Valyou Group	3	[✂]	[✂]	[✂]
3	Lasco Supermarket	1	[✂]	[✂]	[✂]
4	A.D. Supermarket	1	[✂]	[✂]	[✂]
5	Chain Supermarket	3	[✂]	[✂]	[✂]
6	Chef Choice	1	[✂]	[✂]	[✂]
7	Daves Supermarket	1	[✂]	[✂]	[✂]
8	El Panadero	1	[✂]	[✂]	[✂]
9	G&G Self Service	1	[✂]	[✂]	[✂]
10	Gala Centre Supermarket	1	[✂]	[✂]	[✂]
11	Greens Supermarket	1	[✂]	[✂]	[✂]
12	Iceland	1	[✂]	[✂]	[✂]
13	JK Supermarket	1	[✂]	[✂]	[✂]
14	LIDL Malta	5	[✂]	[✂]	[✂]
15	PG Group	2	[✂]	[✂]	[✂]
16	Q Market	1	[✂]	[✂]	[✂]
17	Savemart Supermarket	1	[✂]	[✂]	[✂]
18	Scotts	7	[✂]	[✂]	[✂]
19	Smart Supermarket	1	[✂]	[✂]	[✂]
20	SPAR	1	[✂]	[✂]	[✂]
21	Vegimania	1	[✂]	[✂]	[✂]
	Total Supermarkets	37	[✂]	100.0%	1,571

Post-Merger

No	Supermarket	No. of Stores	Revenue Estimate (€000s)	Market Share	Market Share Squared
1	Retail Marketing Limited	6	[✂]	[✂]	[✂]
2	A.D. Supermarket	1	[✂]	[✂]	[✂]
3	Chain Supermarket	3	[✂]	[✂]	[✂]
4	Chef Choice	1	[✂]	[✂]	[✂]
5	Daves Supermarket	1	[✂]	[✂]	[✂]
6	El Panadero	1	[✂]	[✂]	[✂]
7	G&G Self Service	1	[✂]	[✂]	[✂]
8	Gala Centre Supermarket	1	[✂]	[✂]	[✂]
9	Greens Supermarket	1	[✂]	[✂]	[✂]
10	Iceland	1	[✂]	[✂]	[✂]
11	JK Supermarket	1	[✂]	[✂]	[✂]
12	LIDL Malta	5	[✂]	[✂]	[✂]
13	PG Group	2	[✂]	[✂]	[✂]
14	Q Market	1	[✂]	[✂]	[✂]
15	Savemart Supermarket	1	[✂]	[✂]	[✂]
16	Scotts	7	[✂]	[✂]	[✂]
17	Smart Supermarket	1	[✂]	[✂]	[✂]
18	SPAR	1	[✂]	[✂]	[✂]
19	Vegimania	1	[✂]	[✂]	[✂]
	Total Supermarkets	37	[✂]	100.0%	1,724

Change in HHI

152.4

Scenario 4 – Park Towers Santa Venera

Pre-Merger

No	Supermarket	No. of Stores	Revenue Estimate (€000s)	Market Share	Market Share Squared
1	Park Towers	2	[✂]	[✂]	[✂]
2	Valyou Group	3	[✂]	[✂]	[✂]
3	Lasco Supermarket	1	[✂]	[✂]	[✂]
4	A.D. Supermarket	1	[✂]	[✂]	[✂]
5	Chain Supermarket	4	[✂]	[✂]	[✂]
6	Chef Choice	1	[✂]	[✂]	[✂]
7	Daves Supermarket	1	[✂]	[✂]	[✂]
8	El Panadero	1	[✂]	[✂]	[✂]
9	G&G Self Service	1	[✂]	[✂]	[✂]
10	Gala Centre Supermarket	1	[✂]	[✂]	[✂]
11	Greens Supermarket	1	[✂]	[✂]	[✂]
12	Iceland	2	[✂]	[✂]	[✂]
13	JK Supermarket	1	[✂]	[✂]	[✂]
14	LIDL Malta	6	[✂]	[✂]	[✂]
15	PG Group	2	[✂]	[✂]	[✂]
16	Q Market	1	[✂]	[✂]	[✂]
17	Savemart Supermarket	1	[✂]	[✂]	[✂]
18	Scotts	7	[✂]	[✂]	[✂]
19	Smart Supermarket	1	[✂]	[✂]	[✂]
20	SPAR	1	[✂]	[✂]	[✂]
21	Vegimania	1	[✂]	[✂]	[✂]
22	Vella Supermarket	1	[✂]	[✂]	[✂]
	Total Supermarkets	41	[✂]	100.0%	1,703

Post-Merger

No	Supermarket	No. of Stores	Revenue Estimate (€000s)	Market Share	Market Share Squared
1	Retail Marketing Limited	6	[X]	[X]	[X]
2	A.D. Supermarket	1	[X]	[X]	[X]
3	Chain Supermarket	4	[X]	[X]	[X]
4	Chef Choice	1	[X]	[X]	[X]
5	Daves Supermarket	1	[X]	[X]	[X]
6	El Panadero	1	[X]	[X]	[X]
7	G&G Self Service	1	[X]	[X]	[X]
8	Gala Centre Supermarket	1	[X]	[X]	[X]
9	Greens Supermarket	1	[X]	[X]	[X]
10	Iceland	2	[X]	[X]	[X]
11	JK Supermarket	1	[X]	[X]	[X]
12	LIDL Malta	6	[X]	[X]	[X]
13	PG Group	2	[X]	[X]	[X]
14	Q Market	1	[X]	[X]	[X]
15	Savemart Supermarket	1	[X]	[X]	[X]
16	Scotts	7	[X]	[X]	[X]
17	Smart Supermarket	1	[X]	[X]	[X]
18	SPAR	1	[X]	[X]	[X]
19	Vegimania	1	[X]	[X]	[X]
20	Vella Supermarket	1	[X]	[X]	[X]
	Total Supermarkets	41	[X]	100.0%	1,835

Change in HHI

131.8

Scenario 1 – Park Towers St Julian's

Pre-Merger

No	Supermarket	No. of Stores	Revenue Estimate (€000s)	Market Share	Market Share Squared
1	Park Towers	2	[✂]	[✂]	[✂]
2	Valyou Group	3	[✂]	[✂]	[✂]
3	A.D. Supermarket	1	[✂]	[✂]	[✂]
4	Chain Supermarket	1	[✂]	[✂]	[✂]
5	Gala Centre Supermarket	1	[✂]	[✂]	[✂]
6	Greens Supermarket	1	[✂]	[✂]	[✂]
7	JK Supermarket	1	[✂]	[✂]	[✂]
8	LIDL Malta	3	[✂]	[✂]	[✂]
9	PG Group	2	[✂]	[✂]	[✂]
10	Q Market	1	[✂]	[✂]	[✂]
11	Savemart Supermarket	1	[✂]	[✂]	[✂]
12	Scotts	4	[✂]	[✂]	[✂]
13	Smart Supermarket	1	[✂]	[✂]	[✂]
14	SPAR	1	[✂]	[✂]	[✂]
15	Vegimania	1	[✂]	[✂]	[✂]
	Total Supermarkets	24	[✂]	100.0%	1,674

Post-Merger

No	Supermarket	No. of Stores	Revenue Estimate (€000s)	Market Share	Market Share Squared
1	Retail Marketing Limited	5	[✂]	[✂]	[✂]
2	A.D. Supermarket	1	[✂]	[✂]	[✂]
3	Chain Supermarket	1	[✂]	[✂]	[✂]
4	Gala Centre Supermarket	1	[✂]	[✂]	[✂]
5	Greens Supermarket	1	[✂]	[✂]	[✂]
6	JK Supermarket	1	[✂]	[✂]	[✂]
7	LIDL Malta	3	[✂]	[✂]	[✂]
8	PG Group	2	[✂]	[✂]	[✂]
9	Q Market	1	[✂]	[✂]	[✂]
10	Savemart Supermarket	1	[✂]	[✂]	[✂]
11	Scotts	4	[✂]	[✂]	[✂]
12	Smart Supermarket	1	[✂]	[✂]	[✂]
13	SPAR	1	[✂]	[✂]	[✂]
14	Vegimania	1	[✂]	[✂]	[✂]
	Total Supermarkets	24	[✂]	100.0%	1,841

Change in HHI

167.1

Scenario 2 – Park Towers St Julian's

Pre-Merger

No	Supermarket	No. of Stores	Revenue Estimate (€000s)	Market Share	Market Share Squared
1	Park Towers	2	[✂]	[✂]	[✂]
2	Valyou Group	3	[✂]	[✂]	[✂]
3	A.D. Supermarket	1	[✂]	[✂]	[✂]
4	Chain Supermarket	1	[✂]	[✂]	[✂]
5	Gala Centre Supermarket	1	[✂]	[✂]	[✂]
6	Greens Supermarket	1	[✂]	[✂]	[✂]
7	JK Supermarket	1	[✂]	[✂]	[✂]
8	LIDL Malta	4	[✂]	[✂]	[✂]
9	PG Group	2	[✂]	[✂]	[✂]
10	Q Market	1	[✂]	[✂]	[✂]
11	Savemart Supermarket	1	[✂]	[✂]	[✂]
12	Scotts	5	[✂]	[✂]	[✂]
13	Smart Supermarket	1	[✂]	[✂]	[✂]
14	SPAR	1	[✂]	[✂]	[✂]
15	Vegimania	1	[✂]	[✂]	[✂]
	Total Supermarkets	26	[✂]	100.0%	1,694

Post-Merger

No	Supermarket	No. of Stores	Revenue Estimate (€000s)	Market Share	Market Share Squared
1	Retail Marketing Limited	5	[✂]	[✂]	[✂]
2	A.D. Supermarket	1	[✂]	[✂]	[✂]
3	Chain Supermarket	1	[✂]	[✂]	[✂]
4	Gala Centre Supermarket	1	[✂]	[✂]	[✂]
5	Greens Supermarket	1	[✂]	[✂]	[✂]
6	JK Supermarket	1	[✂]	[✂]	[✂]
7	LIDL Malta	4	[✂]	[✂]	[✂]
8	PG Group	2	[✂]	[✂]	[✂]
9	Q Market	1	[✂]	[✂]	[✂]
10	Savemart Supermarket	1	[✂]	[✂]	[✂]
11	Scotts	5	[✂]	[✂]	[✂]
12	Smart Supermarket	1	[✂]	[✂]	[✂]
13	SPAR	1	[✂]	[✂]	[✂]
14	Vegimania	1	[✂]	[✂]	[✂]
	Total Supermarkets	26	[✂]	100.0%	1,842

Change in HHI

147.5

Scenario 3 – Park Towers St Julian's

Pre-Merger

No	Supermarket	No. of Stores	Revenue Estimate (€000s)	Market Share	Market Share Squared
1	Park Towers	2	[✂]	[✂]	[✂]
2	Valyou Group	3	[✂]	[✂]	[✂]
3	A.D. Supermarket	1	[✂]	[✂]	[✂]
4	Chain Supermarket	1	[✂]	[✂]	[✂]
5	El Panadero	1	[✂]	[✂]	[✂]
6	G&G Supermarket	1	[✂]	[✂]	[✂]
7	Gala Centre Supermarket	1	[✂]	[✂]	[✂]
8	Greens Supermarket	1	[✂]	[✂]	[✂]
9	Iceland Stores	1	[✂]	[✂]	[✂]
10	JK Supermarket	1	[✂]	[✂]	[✂]
11	LIDL Malta	4	[✂]	[✂]	[✂]
12	PG Group	2	[✂]	[✂]	[✂]
13	Piscopo Cash & Carry	1	[✂]	[✂]	[✂]
14	Q Market	1	[✂]	[✂]	[✂]
15	Savemart Supermarket	1	[✂]	[✂]	[✂]
16	Scotts	5	[✂]	[✂]	[✂]
17	Smart Supermarket	1	[✂]	[✂]	[✂]
18	SPAR	1	[✂]	[✂]	[✂]
19	Vegimania	1	[✂]	[✂]	[✂]
	Total Supermarkets	30	[✂]	100.0%	1,692

Post-Merger

No	Supermarket	No. of Stores	Revenue Estimate (€000s)	Market Share	Market Share Squared
1	Retail Marketing Limited	5	[✂]	[✂]	[✂]
2	A.D. Supermarket	1	[✂]	[✂]	[✂]
3	Chain Supermarket	1	[✂]	[✂]	[✂]
4	El Panadero	1	[✂]	[✂]	[✂]
5	G&G Supermarket	1	[✂]	[✂]	[✂]
6	Gala Centre Supermarket	1	[✂]	[✂]	[✂]
7	Greens Supermarket	1	[✂]	[✂]	[✂]
8	Iceland Stores	1	[✂]	[✂]	[✂]
9	JK Supermarket	1	[✂]	[✂]	[✂]
10	LIDL Malta	4	[✂]	[✂]	[✂]
11	PG Group	2	[✂]	[✂]	[✂]
12	Piscopo Cash & Carry	1	[✂]	[✂]	[✂]
13	Q Market	1	[✂]	[✂]	[✂]
14	Savemart Supermarket	1	[✂]	[✂]	[✂]
15	Scotts	5	[✂]	[✂]	[✂]
16	Smart Supermarket	1	[✂]	[✂]	[✂]
17	SPAR	1	[✂]	[✂]	[✂]
18	Vegimania	1	[✂]	[✂]	[✂]
	Total Supermarkets	30	[✂]	100.0%	1,806

Change in HHI

114.2

Scenario 4 – Park Towers St Julian's

Pre-Merger

No	Supermarket	No. of Stores	Revenue Estimate (€000s)	Market Share	Market Share Squared
1	Park Towers	2	[✂]	[✂]	[✂]
2	Valyou Group	3	[✂]	[✂]	[✂]
3	A.D. Supermarket	1	[✂]	[✂]	[✂]
4	Chain Supermarket	3	[✂]	[✂]	[✂]
5	Daves	1	[✂]	[✂]	[✂]
6	El Panadero	1	[✂]	[✂]	[✂]
7	G&G Supermarket	1	[✂]	[✂]	[✂]
8	Gala Centre Supermarket	1	[✂]	[✂]	[✂]
9	Greens Supermarket	1	[✂]	[✂]	[✂]
10	Iceland Stores	1	[✂]	[✂]	[✂]
11	JK Supermarket	1	[✂]	[✂]	[✂]
12	LIDL Malta	4	[✂]	[✂]	[✂]
13	PG Group	2	[✂]	[✂]	[✂]
14	Q Market	1	[✂]	[✂]	[✂]
15	Savemart Supermarket	1	[✂]	[✂]	[✂]
16	Scotts	5	[✂]	[✂]	[✂]
17	Smart Supermarket	1	[✂]	[✂]	[✂]
18	SPAR	1	[✂]	[✂]	[✂]
19	Vegimania	1	[✂]	[✂]	[✂]
	Total Supermarkets	32	[✂]	100.0%	1,627

Post-Merger

No	Supermarket	No. of Stores	Revenue Estimate (€000s)	Market Share	Market Share Squared
1	Retail Marketing Limited	5	[✂]	[✂]	[✂]
2	A.D. Supermarket	1	[✂]	[✂]	[✂]
3	Chain Supermarket	3	[✂]	[✂]	[✂]
4	Daves	1	[✂]	[✂]	[✂]
5	El Panadero	1	[✂]	[✂]	[✂]
6	G&G Supermarket	1	[✂]	[✂]	[✂]
7	Gala Centre Supermarket	1	[✂]	[✂]	[✂]
8	Greens Supermarket	1	[✂]	[✂]	[✂]
9	Iceland Stores	1	[✂]	[✂]	[✂]
10	JK Supermarket	1	[✂]	[✂]	[✂]
11	LIDL Malta	4	[✂]	[✂]	[✂]
12	PG Group	2	[✂]	[✂]	[✂]
13	Q Market	1	[✂]	[✂]	[✂]
14	Savemart Supermarket	1	[✂]	[✂]	[✂]
15	Scotts	5	[✂]	[✂]	[✂]
16	Smart Supermarket	1	[✂]	[✂]	[✂]
17	SPAR	1	[✂]	[✂]	[✂]
18	Vegimania	1	[✂]	[✂]	[✂]
	Total Supermarkets	32	[✂]	100.0%	1,735

Change in HHI

108.4