

Anticipated acquisition by Cellnex UK Limited of the passive infrastructure assets in the UK of CK Hutchison Networks Europe Investments S.À R.L.

Notice of Acceptance of Final Undertakings given to the Competition and Markets Authority by Cellnex UK Limited, Cellnex Telecom S.A. and CK Hutchison Networks Europe Investments S.À R.L. pursuant to sections 41 and 82 and 90 of and Schedule 10 to the Enterprise Act 2002

Background

1. On 27 July 2021, the CMA, in exercise of its duty under section 33(1) of the Enterprise Act 2002 (the Act), referred the anticipated acquisition by Cellnex UK Limited, a subsidiary of Cellnex Telecom S.A. of the passive infrastructure assets in the UK of CK Hutchison Networks Europe Investments S.À R.L., a subsidiary of CK Hutchison Holdings Limited (together, the Parties) for further investigation and report by a group of CMA panel members.
2. On 4 March 2022, the CMA published its report entitled 'Anticipated acquisition by Cellnex UK Limited of the passive infrastructure assets of CK Hutchison Networks Europe Investments S.À R.L.' (the Report).
3. The Report concluded, *inter alia*, that the anticipated acquisition (the Merger) by Cellnex UK Limited, part of the Cellnex group (Cellnex) of the passive infrastructure assets in the UK of the CK Hutchison group (CK Hutchison) may be expected to result in a substantial lessening of competition (SLC) as a result of horizontal unilateral effects arising from overlaps between the Parties in the supply of access to developed macro sites and ancillary services to mobile network operators (MNOs) and other wireless communication providers in the UK.
4. As set out in the Report, the CMA has decided that a divestiture by Cellnex of its existing macro sites and ancillary services that geographically overlap with the CK Hutchison sites to be acquired as a result of the Merger would be an effective

and proportionate remedy to address the SLC and the resulting adverse effects that the CMA has found.

5. The CMA has reached agreement with Cellnex and CK Hutchison on the terms of the Final Undertakings to remedy the SLC identified in the Report and the adverse effects which may be expected to flow from it.
6. On 8 April 2022, the CMA gave notice of a proposal to accept Final Undertakings on its website. The CMA has considered the representations received and has concluded that no substantive modifications to the text of the proposed Final Undertakings are required.
7. On 11 May 2022, the Parties gave the CMA Final Undertakings, giving effect to the CMA's decisions as published in its Final Report and which are substantively on the same terms as those consulted on.
8. The CMA, under section 82 of the Act, now accepts those Final Undertakings as given by the Parties. A copy of the Final Undertakings is attached. The Final Undertakings now come into force and the reference is finally determined.
9. The Final Undertakings may be varied, superseded or released by the CMA under section 82(2) of the Act.
10. This Notice and a non-confidential version of the Final Undertakings will be published on the CMA website. The CMA has excluded from the non-confidential version of the Final Undertakings information which it considers should be excluded, having regard to the considerations set out in section 244 of the Act. These omissions are indicated by [✂].

Signed by authority of the CMA

Richard Feasey

Group Chair

12 May 2022