



REPUBLIC OF THE PHILIPPINES
PHILIPPINE COMPETITION COMMISSION

6/F DAP Building, San Miguel Avenue, Ortigas Center, Pasig City 1600

COMMISSION DECISION No. 01-M-072/2017
Acquisition by Shangtex (Hong Kong) Limited of shares in Luen Thai Holdings Limited
M-072/2016

The Commission,

Having regard to the Acquisition by Shangtex (Hong Kong) Limited of controlling shares in Luen Thai Holdings Limited,

Having regard to Section 16 and 20 of Republic Act No. 10667 and Section 1, Rule 4 of the Rules and Regulations to Implement the Provisions of Republic Act No. 10667,

Has adopted this Decision:

In view of the recommendation from the Mergers & Acquisitions Office that, on the basis of information obtained from the parties and third parties, the acquisition by Shangtex (Hong Kong) Limited of controlling shares in Luen Thai Holdings Limited (the "Transaction") does not result in a substantial lessening of competition in the relevant market, for the following reasons:

1. The parties hold *de minimis* market shares in the sale of apparel and textile in the Philippines;
2. Sufficient post-acquisition competitive constraints from other firms that produce and/or sell apparel and textile to the Philippines will remain; and
3. Partial input foreclosure on the sale of textile is unlikely since there are other alternative suppliers in the market.

the Commission hereby resolves that it will take no further action with respect to the Transaction.

DONE, this 16th day of January 2017, in the City of Pasig, Philippines.


ARSENIO M. BALISACAN
Chairman


JOHANNES BENJAMIN R. BERNABE
Commissioner


STELLA LUZ A. QUIMBO
Commissioner

EL CID R. BUTUYAN
Commissioner


AMABELLE C. ASUNCION
Commissioner