



DETERMINATION OF MERGER NOTIFICATION M/25/068 – FSK/LIONBRIDGE

Section 21 of the Competition Act 2002

Proposed acquisition by FS KKR Capital Corp, through a special purpose vehicle, New Lionbridge, LP, of indirect sole control of LBT Midco, Inc., the holding company of Lionbridge Technology, LLC.

Dated 20 November 2025

Introduction

1. On 31 October 2025, in accordance with section 18(1)(a) of the Competition Act 2002, as amended (the “Act”), the Competition and Consumer Protection Commission (the “Commission”) received a notification of a proposed acquisition whereby New Lionbridge, LP, a special purpose vehicle controlled by its general partner, New Lionbridge GP, LLC, which, following completion, will be majority owned by entities indirectly controlled by FS KKR Capital Corp (“FSK”), would acquire the entire issued share capital and thus sole control of LBT Midco, Inc. (“LBT Midco”), the holding company of Lionbridge Technology, LLC (“Lionbridge”) (the “Proposed Transaction”).¹

The Proposed Transaction

2. Prior to the Proposed Transaction, LBT Midco is ultimately solely managed by H.I.G. Capital, LLC (together with its affiliates, the “Seller”). On 27 December 2019, LBT Parent, Inc.² and Lionbridge (together, the “Borrower”) entered into a credit agreement with certain term lenders (the “Lending Entities”)³ majority owned by FSK.

¹ FSK and Lionbridge are collectively referred to as the “Parties” hereafter.

² LBT Parent, Inc. is a wholly owned subsidiary of LBT Midco, Inc., and in turn wholly owns Lionbridge Technology, LLC.

³ The Lending Entities include:

[REDACTED]



3. Pursuant to a Sale and Restructuring Committee Side Letter dated 24 July 2025⁴, the Parties have agreed to implement a restructuring of LBT Midco's debt. The restructuring will involve the transfer of all of the outstanding voting rights and ordinary shares of LBT Midco to New Lionbridge LP pursuant to a Transaction Steps Agreement dated 23 October 2025 between New Lionbridge GP, LLC and LBT Investment Holdings, LLC⁵ dated 23 October 2025 (the "Transaction Steps Agreement").
4. Pursuant to the Transaction Steps Agreement, a mutual release agreement, a share transfer agreement, and a contribution and exchange agreement (the "Closing Documents") will be implemented to restructure the debt and transfer 100% of LBT Midco's shares to New Lionbridge, LP. The Closing Documents are generally intra-conditional and will be signed once the applicable regulatory approvals have been received.⁶
5. Pursuant to the mutual release agreement, [REDACTED]
[REDACTED]
[REDACTED] prior to the consummation of the Proposed Transaction, in which the Lending Entities will receive equity in LBT Midco. This release is limited to certain customary exceptions.
6. Pursuant to the share transfer agreement, New Lionbridge, LP will acquire 100% of LBT Midco's shares from LBT Investment Holdings, LLC.
7. Pursuant to the contribution and exchange agreement, [REDACTED]
[REDACTED]
[REDACTED] As a result, [REDACTED].

⁴ The Sale and Restructuring Committee Side Letter dated 24 July 2025 was entered into among the following parties: LBT Investment Holdings LLC (indirectly managed by the Seller), H.I.G. Lionbridge, LLC (indirectly managed by the Seller) and KKR Loan Administration Services LLC, acting as an agent for the Lending Entities,

⁵ LBT Investment Holdings, LLC is the holding company of LBT Midco.

⁶ Parties' correspondence with the Commission dated 6 November 2025.

⁷ LBT Investment Holdings, LLC and H.I.G. Lionbridge, LLC are both indirectly managed by the Seller.



- Lionbridge is a US headquartered business which focusses on providing translation, localisation and managed services,⁹ operating primarily within the language technology industry.
 - Lionbridge and its subsidiaries¹⁰ are active in the State through the provision of localisation and translation services, as well as the testing of content such as videogames, websites and software and the distribution of SaaS-based translation tools.¹¹ Lionbridge provides such services to businesses in various industries, including technology, manufacturing, life sciences, automotive, aerospace, business services, retail, government, financial and legal industries.
10. After examination of the notification, the Commission has concluded that the Proposed Transaction falls within the scope of paragraph 2.1 of the Simplified Merger Notification Procedure Guidelines (“SMNPG”) for assessing certain notifiable mergers or acquisitions under section 18 of the Act since:
- one or more undertakings involved in the merger or acquisition are active in a market(s) which is upstream or downstream to a market(s) in which another undertaking involved is active, but the market share of each of the undertakings involved in each market is less than 25%; and
 - none of the exclusions stipulated in paragraphs 2.8 to 2.15 of the SMNPG apply to the undertakings or the markets in which the undertakings operate.
11. In light of this, the Commission considers that the Proposed Transaction will not substantially lessen competition in any market for goods or services in the State.

Ancillary Restraints

12. No ancillary restraints were notified.

⁹ Managed services include content creation such as product testing and producing technical documentation.

¹⁰ Lionbridge has three subsidiaries that are active in the State: (i) Lionbridge International Unlimited Company; (ii) Lionbridge Global Games Limited; and (iii) Lionbridge Global Software Limited.

¹¹ The term “SaaS” refers to software as a service, which is a software delivery model.



Determination

The Competition and Consumer Protection Commission, in accordance with section 21(2)(a) of the Competition Act 2002, as amended, has determined that, in its opinion, the result of the proposed acquisition whereby New Lionbridge, LP, a special purpose vehicle controlled by its general partner New Lionbridge GP, LLC, which, following completion, will be majority owned by entities indirectly controlled by FS KKR Capital Corp, would acquire the entire issued share capital, and thus sole control of, LBT Midco, Inc., the holding company of Lionbridge Technology, LLC will not be to substantially lessen competition in any market for goods or services in the State, and, accordingly, that the acquisition may be put into effect.

For the Competition and Consumer Protection Commission

Alan Scarlett

Director

Mergers Division

Competition and Consumer Protection Commission