



ΚΥΠΡΙΑΚΗ ΔΗΜΟΚΡΑΤΙΑ



ΕΠΙΤΡΟΠΗ ΠΡΟΣΤΑΣΙΑΣ
ΤΟΥ ΑΝΤΑΓΩΝΙΣΜΟΥ

Decision CPC: 24/2019

Case Number 8.13.019.10

**THE CONTROL OF CONCENTRATIONS BETWEEN ENTERPRISES LAW
No. 83(I)/2014**

**Notification of a concentration concerning the acquisition of part of the share capital of
Cyreit Variable Capital Investment Company Plc by Invel Real Estate Management Ltd, via
NBG PANGAEA Real Estate Investment Company**

Commission for the Protection of Competition:

Mrs. Loukia Christodoulou,	Chairperson
Mr. Andreas Karydis	Member
Mr. Panayiotis Ousta	Member
Mr. Aristos Aristeidou Palouzas	Member
Mr. Polinikis-Panagiotis Charalambides	Member

Date of decision: 15/4/2019

SUMMARY OF THE DECISION

On the 22/2/2019, the Commission for the Protection of Competition (hereinafter the “Commission”) received on behalf of Invel Real Estate Management Limited (hereinafter “Invel”), a notification of a proposed concentration. The notification was filed according to Section 10 of the Control of Concentrations between Enterprises Law 83(I)/14 (hereinafter the “Law”).

The notification concerns a concentration, according to which, Invel, via NBG PANGAEA Real Estate Investment Company (hereinafter “Pangaea”) will acquire 100% of the management shares and 88,2% of the investment shares of Cyreit Variable Capital Investment Company Plc (hereinafter “the Target” or “Cyreit”).

Cyreit Variable Capital Investment Company Plc is registered as an organization of alternative investment funds (AIF) under the laws of the Republic of Cyprus. This company is listed on the Cyprus Stock Exchange (in non-Negotiable Market investment projects) and operates in real estate rental market.

Invel is a company duly registered under the laws of Jersey in the Channel Islands. The said company, which is the controlling entity of the Invel Group, primarily focuses on investment opportunities in the European real estate markets.

NBG PANGAEA Real Estate Investment Company is a company, duly registered under the laws of Greece. The said company is active in the market of real estate investment and in the management and operation of real estate throughout Greece.

The concentration is based on the Sale of Shares of Cyreit Variable Capital Investment Company Plc Agreement dated 19/11/2019 (hereinafter the "Agreement") between the Bank Of Cyprus as the Seller and the Pangaea as the Buyer. In accordance with this Agreement, Pangaea will acquire 100% of the management shares and 88,2% of the investment shares of Cyreit. In addition, Pangaea, in accordance with the Agreement, will acquire 2 immovable properties which are located in Athens which belong to Bank Of Cyprus.

The Commission, taking into account the facts of the concentration, has concluded that this transaction constitutes a concentration within the meaning of section 6 (1)(a)(ii) of the Law, since it leads to a permanent change of control of the target.

Furthermore, based on the information contained in the notification, the Commission found that the criteria set by section 3 (2) (a) of the Law were satisfied and therefore the notified concentration was of major importance falling within the scope of the Law.

The relevant product market in this case was defined as (i) the hotels rental market and its geographic market was defined as local, specifically the Nicosia District, (ii) the offices rental market and its geographic market was defined as local, specifically the Limassol, Nicosia and Larnaca Districts and (iii) the commercial shops rental market and its geographic market was defined as local, specifically the Paphos, Nicosia and Limassol Districts, (iv) the management and operation of five (5*) star hotel market and its geographical market was defined as local, specifically, the Nicosia and Paphos Districts.

There is no vertical relationship between the activities of the enterprises involved.

According to the notification, there is a horizontal overlap in the activities of the companies participating in the concentration regarding the offices rental market and the commercial shops rental market.

The undertaking concerned claimed that the joint market share of the companies is less than 0,5%.

According to the market shares of the companies, as listed above, there is no affected market according to Schedule I of the Law.

The Commission, on the basis of the factual and legal circumstances, unanimously decided that this concentration does not create or strengthen a dominant position as there is no affected market and

therefore the concentration does not raise serious doubts as to its compatibility with the operation of the competition in the market.

Therefore, the Commission, acting in accordance with section 22 of the Law, unanimously decided not to oppose the notified concentration and declare it as being compatible with the operation of the competition in the market.

Loukia Christodoulou

Chairperson of the Commission for the Protection of Competition