



Decision CPC: 71/2021

Case Number: 08.05.001.021.060

THE CONTROL OF CONCENTRATIONS BETWEEN ENTERPRISES LAW

No. 83(I)/2014

Notification of concentration concerning the acquisition of the share capital of Kiwi VFS

Sub I S.a.r.l. from investment funds which are consulted / managed by affiliated companies of Blackstone Inc., via Speed Bidco S.a.r.l.

Commission for the Protection of Competition:

Mrs. Loukia Christodoulou	Chairperson
Mr. Andreas Karidis,	Member
Mr. Panayiotis Oustas,	Member
Mr. Aristos Aristidou Palouzas,	Member
Mr. Polinikis Panayiotis Charalambides	Member

Date of decision: 17 November 2021

SUMMARY OF DECISION

On the 25th of October 2021 the Commission for the Protection of Competition (hereinafter the "Commission") received on behalf of Blackstone Inc., 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").

This notification concerns a concentration, according to which Blackstone Inc. (together with any of its affiliates companies or investment funds, hereinafter the "Blackstone"), via Speed Bidco S.a.r.l (hereinafter "Speed Bidco"), intends to acquire the share capital of Kiwi VFS Sub I S.a.r.l. (hereinafter referred to as the "Target").

Companies participating at this merger are the following:

1. Speed Bidco Ltd is a special purpose company, with no previous business activities and was incorporated to operate as an acquisition company for the purposes of this transaction.

Blackstone is a global alternative asset manager listed on the New York Stock Exchange. Blackstone operates as an investment management company, not as a group of heterogeneous activities or parent company.

2. Kiwi VFS Sub I S.a.r.l. (Target Company) is a duly registered company under the laws of Luxembourg. The Target is the holding company of VFS Group (specifically VFS Global AG and its subsidiaries). VFS Group specializes in technology services and outsourcing of visa application services (and advisory services to governments and diplomatic missions).

The concentration under consideration takes place on the basis of document "Share Purchase Agreement" (hereinafter referred to as the "Agreement") dated October 6, 2021, which sets out the main terms and conditions regarding the acquisition of the share capital of the Target Company.

Based on this agreement, Speed Bidco will acquire the share capital and sole control of Target.

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 target by Blackstone via Speed Bidco.

In accordance with the above findings, the Commission proceeded to assess the compatibility of the concentration in question with the operation of competition in the market, in accordance with the procedure for determining the compatibility of a concentration under the compatibility criteria, as defined in Articles 20 and 21 of the Law, for the significant obstruction of competition in the Republic of Cyprus or in a significant part of it, in particular as a result of the creation or strengthening of a dominant position and taking into account the individual criteria set out in Article 19 of the said Law.

The relevant product/services and geographic market in this case was defined as the market for the provision of outsourcing services for visas and passports in the territory of the Republic of Cyprus.

According to the notification, Blackstone's activities do not overlap with the Target's activities in Cyprus. Therefore, there is no horizontal overlap between Blackstone's activities and the Target's in Cyprus.

Additionally, according to the notification data, there are no vertical relationships between Blackstone (including those of its controlled portfolio companies) and Target in Cyprus.

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