



Decision CPC: 21/2022

Case Number: 08.05.001.022.011

## THE CONTROL OF CONCENTRATIONS BETWEEN ENTERPRISES LAW

No. 83(I)/2014

### Notification of a concentration concerning the acquisition of the share capital of Xempus AG by The Goldman Sachs Group Inc.

Commission for the Protection of Competition:

Mr. Polynikis-Panagiotis Charalambides	Chairperson
Mr. Andreas Karydis	Member
Mr. Panayiotis Ousta	Member
Mr. Aristos Aristeidou Palouzas	Member

Date of Decision: 12<sup>th</sup> of April 2022

### SUMMARY OF THE DECISION

On 14/03/2022, the Commission for the Protection of Competition (hereinafter the “Commission”) received on behalf of The Goldman Sachs Group Inc. (hereinafter the “Goldman Sachs”) and HPE Growth B.V. (hereinafter the “HPE Growth”), 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, Goldman Sachs, will acquire part of the share capital of Xempus AG (hereinafter the “Xempus” or the “Target”). The rest of the share capital will remain in HPE Growth.

The enterprises involved are the following:

1. Xempus which provides an online platform that connects insurance companies, insurance brokers, employers and their employees. On this

platform, employers can procure and administer occupational benefit plans and other insurance benefits for employees. The insurance products of Xempus platform include:

- (i) life insurance schemes, through which employees may save funds for their retirement, and
- (ii) occupational disability insurance.

Xempus is not an insurance company. It is a distribution platform where insurance companies and insurance brokers can sell their insurance products to employers and employees.

2. HPE Growth is a technology investment company. It focuses on scaling digital technology companies. It aims to deploy capital on a company-by-company basis in exchange for acquiring minority or majority stakes in each company.
3. Goldman Sachs is a global company which operates in the fields of investment banking, finance and investment management. It provides a wide range of banking, brokerage and investment services worldwide in a significant and broad customer base that includes corporations, financial institutions, governments and high net worth individuals.

Goldman Sachs' global operations are broadly divided into four areas: (i) investment banking; (ii) services to institutional clients; (iii) investments and borrowings, and (iv) investment management.

This concentration is based on the Investment Agreement and Shareholders Agreement (hereinafter the "Agreement") dated 07/03/2022, between the participating companies, the other shareholders and the current managers of Xempus.

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 Company. Particularly, there is a change of control of Target from sole control by HPE to joint control by Goldman Sachs and HPE.

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/services and geographic market in this case was defined as the market of online platforms for the distribution of insurance products for employees and specifically (a) life insurance schemes through which employees may save funds for their retirement, and (b) occupational disability insurance in the territory of the Republic of Cyprus.

Xempus is not active in Cyprus and only HPE and Goldman Sachs have activities in the Republic.

As can be seen from the documents and information in the case file, Goldman Sachs and HPE Growth, as well as their holding companies in Cyprus, have no activities that overlap horizontally with those of Xempus in the territory of Cyprus. In addition, there are no vertical relationships between the enterprises involved in the transaction.

Taking into account the above, the Commission in this concentration there is no affected market based on Annex I of the Law. In addition, there are no other markets in which the notified concentration may have a significant effect.

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