



Decision CPC: 20/2022

Case Number: 08.05.001.022.010

## THE CONTROL OF CONCENTRATIONS BETWEEN ENTERPRISES LAW

No. 83(I)/2014

### **Notification of concentration regarding the acquisition of the sharecapital of SKY CAC Ltd, by Cerberus Capital Management L.P., via Promontoria Sky Designated Activity 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. Polynikis-Panagiotis Charalambides	Member

Date of Decision: 6<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 Cerberus Capital Management L.P. (hereinafter “CCM”), 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 concerning the acquisition of the share capital of SKY CAC Ltd, (hereinafter “SKY CAC” or the “Target”) by CCM, via Promontoria Sky Designated Activity Company (hereinafter “Promontoria Sky”).

The participating parties are the following:

Cerberus Capital Management L.P is an Investment Advisor, registered with the US Securities and Exchange Commission and a member of Cerberus, a global leader in alternative investing in assets across complementary credit, private equity, and real estate platforms.

Promontoria Sky Designated Activity Company is a special purpose company registered under the laws of Ireland, which was set up to implement the proposed acquisition. Promontoria Sky is a newly registered company and has no previous business activity or turnover.

SKY CAC Ltd is a company duly registered in accordance with the laws of the Republic of Cyprus. SKY CAC is a credit acquiring company established by Alpha International Holdings S.M.S.A. with the aim of acquiring a loan and real estate portfolio from Alpha Credit Acquisition Company and Alpha Bank Cyprus Ltd. SKY CAC is a newly established company and has no previous business activity or turnover in Cyprus or in any other jurisdiction.

This concentration is based on a Sale and Purchase Agreement dated 22/02/2022 between Promontoria Sky, Alpha International Holdings and SKY CAC.

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 CCM.

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 Commission has concluded that the relevant product / service market in the present concentration is the market for (a) non-performing loans (b) the management of non-performing loans in-house or via third parties and (c) management of real estate acquired by credit institutions through the process of REO. Additionally, the Commission concluded that the geographical market is defined, for the relevant markets under reference, as that of the territory of the Republic of Cyprus.

The Commission concluded that there are no horizontal overlaps between the activities of the Target and CCM in Cyprus. Also, there are no vertical relationships between the activities of the Target and CCM in Cyprus.

Taking into account the above, the Commission concludes that in this concentration no affected market is created 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