



Decision CPC: 59/2022

Case Number: 08.05.001.022.043

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

Notification of concentration regarding the acquisition of assets related to the central nervous system and pain/cardiology portfolios of Sanofi S.A., by Permira Holdings Ltd, via Laboratorios Lesvi S.L.U.

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: 1st of September 2022

SUMMARY OF THE DECISION

On 01/08/2022, the Commission for the Protection of Competition (hereinafter the “Commission”) received on behalf of Laboratorios Lesvi S.L.U., 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 Permira Holdings Ltd (hereinafter the “Permira”), via Laboratorios Lesvi S.L.U., intend to acquire certain assets comprising two pharmaceutical product portfolios, a central nervous system (CNS) product portfolio (the “Pacific”) and a pain/cardiac product portfolio (the “Arctic”) (hereinafter collectively the “Target” or “Target Assets”) owned by Sanofi S.A. (hereinafter the “Sanofi”).

- Permira Holdings Ltd is a company duly registered under the laws of Guernsey. It is a private equity firm with a global reach that makes long-term investments in companies operating in a wide range of sectors with a potential for growth and development. It is the ultimate parent company that controls neuraxpharm Arzneimittel GmbH and Laboratorios Lesvi S.L.U..
- Neuraxpharm Arzneimittel GmbH is a company duly registered under the laws of Germany. It is a specialty pharmaceutical company focused on the manufacture and sale of medicines for the treatment of central nervous system disorders. It is an investment fund holding company ultimately controlled by Permira.
- Laboratorios Lesvi S.L.U is a company duly registered under the laws of Spain. It is a business-to-business (B2B) full-service manufacturing provider for finished dosage forms (FDF). It is mainly active in the field of central nervous system; however, its portfolio also includes antiemetics, anti-infectives, cardiovascular, painkillers and respiratory products.
- The Target comprises of two pharmaceutical product portfolios; a central nervous system (“CNS”) product portfolio (the “Pacific”) and a pain/cardiac product portfolio owned by Sanofi and certain affiliates of Sanofi. Sanofi is a global pharmaceutical company focused on human health and active in the research and development and manufacture and sale of healthcare solutions.

This concentration is based on two Asset Purchase Agreements, dated July 11, 2022 (hereinafter the “SAPs”), which were agreed by and between Laboratorios Lesvi S.L.U., as the Purchaser and Sanofi, as the Seller agreed to 1) the Agreement covering the portion of assets related to the central nervous system product portfolio (the “Pacific”) and 2) the Agreement covering the portion of the assets related to the pain/cardiology product portfolio (the “Arctic”). Pursuant to the SAPs, Seller will transfer assets such as contracts, intellectual property, licenses, inventory and other related assets to Buyer.

The Commission, taking into account the facts of the concentration, has concluded that upon completion of this merger, Permira will acquire the control of Sanofi’s two business divisions, in accordance with the provisions of section 6 (1)(a)(ii) of the Law.

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 market in this case was defined as the market for the supply of pharmaceutical products ATC3 (Peripheral vasodilators). In addition, 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.

According to the notification, the activities of the Parties do not overlap horizontally in Cyprus, as Permira and neuraxpharm do not sell any (pharmaceutical) products in Cyprus, which are included in the same ATC classes as the Target. In particular, according to the participants, the indications of the products sold by neuraxpharm, through Brain Therapeutics, in the Republic of Cyprus concern the central nervous system, but the products in question do not follow the EphMRA classification, as they are not pharmaceutical products. Therefore, the above products do not compete with the Target's products.

Also, none of Permira's activities in Cyprus concern a vertically related market, upstream or downstream, with the activities of the Target. As a result, there are no (potential) vertical or closely related neighboring markets between Permira's and Sanofi's activities capable of causing competition problems.

Based on the above data, there is no market affected by horizontal overlap and/or vertical and/or neighboring relationship of the activities of the participating companies, as defined in Appendix I of the Law. In addition, no other markets arise which could be significantly affected by the notified concentration.

According to the provisions of the Law, specifically articles 20 and 21, the criterion, on the basis of which a concentration is declared compatible or incompatible with the operation of competition in the market, concerns the significant hindrance of competition in the Republic or in a significant part of it, in particular as result of the creation or strengthening of a dominant position.

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.

Mrs. Loukia Christodoulou

Chairperson of the Commission for the Protection of Competition