



Decision CPC: 51/2022

Case Number: 08.05.001.022.040

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

**Notification of acquisition by Grunenthal GmbH of assets of the Bayer group
related to the pharmaceutical product Nebido**

Commission for the Protection of Competition:

Mrs. Loukia Christodoulou	Chairperson
Mr. Panayiotis Oustas,	Member
Mr. Aristos Aristidou Palouzas,	Member

Date of decision: 2 August 2022

SUMMARY OF DECISION

On the 14th of July 2022 the Commission for the Protection of Competition (hereinafter the “Commission”) received on behalf of Grunenthal GmbH (hereinafter the «Grunenthal »), 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 Grunenthal intend to acquire assets of the Bayer group related to the pharmaceutical product Nebido (testosterone undecanoate) (hereinafter the “Nebido” or “Target”).

Companies participating at this merger are the following:

1. Grunenthal is a company duly registered under the laws of Germany. Grunenthal is owned by Grünenthal Pharma GmbH & Co. KG. Grunenthal

together with its subsidiaries, is active in the development, production and supply of drugs and other pharmaceutical products. At the same time, it is active, among others, in the commercialization of medicines in the following therapeutic areas: gastroenterology, cardiology and women's healthcare.

2. The Target in the proposed transaction consisting of all intellectual property rights, marketing licenses, supporting documents, inventory and manufacturing contracts and customer contracts related to the pharmaceutical product Nebido or Reandron or Nebid. Nebido is an injectable testosterone replacement product for the treatment of hypogonadism (testosterone deficiency).

This notification concerns the acquisition shall take place on the basis of Assets Purchase Agreement, dated 1st of July 2022 (hereinafter referred to as the "Agreement") which was agreed between Grünenthal (acting as the Buyer) and Bayer (as the Seller).

International Design Surfaces Opportunities, S.a r.l., Domus Marmoles, S.L. and Dimorphandra, S.L. (together as the Sellers), and Almazora Acquisitions, S.L.U. (acting as the Buyer).

The Commission, considering the facts of the concentration, has concluded that this transaction constitutes a concentration within the meaning of section 6(1)(α)(ii) of the Law, since it leads to a permanent change of control of the Target, by Grünenthal.

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 for the purposes of evaluating this concentration, the relevant product / service market is the trade of ATC level 3 testosterone replacement medicinal products for the treatment of hypogonadism.

In addition, the Commission concluded that the geographical market for the relevant markets in question is that of the territory of the Republic of Cyprus.

According to the data of the notification, there is no horizontal overlap in the activities of the parties within the Republic of Cyprus, since the pharmaceutical product of the

Target cannot replace the treatments offered by the pharmaceutical products of the buyer and vice versa.

Regarding vertical relationships, as far as the Parties are concerned, there are no applicable vertical relationships between Grunenthal and the Target 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