



Decision CPC: 02/2023

Case Number: 08.05.001.022.063

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

**Notification of concentration concerning the acquisition of share capital of R
Systems International Limited from Blackstone Inc., via BCP Asia II Topco II
Pte. Ltd**

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: 9 January 2023

SUMMARY OF DECISION

On the 12th of December 2022 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”).

The notification concerns a concentration, according to which Blackstone Inc. (together with its affiliated companies or affiliated investment funds, "Blackstone"), via BCP Asia II Topco II Pte. Ltd (hereinafter the “CP Asia II Topco”) intends to acquire

the share capital of R Systems International Limited (hereinafter the “R Systems” or “Target”).

Companies participating at this merger are the following:

1. BCP Asia II Topco II Pte. Ltd is a special purpose vehicle, duly registered under the laws of Singapore, incorporated to act as an acquisition company for the purposes of this transaction. BCP Asia II Topco II Pte. Ltd is controlled by investment funds that manage or advise affiliates of Blackstone Inc.
2. Blackstone Inc. is a global investment management firm, listed on the New York Stock Exchange. Each company in Blackstone Inc. investment portfolio is subject to separate management and financing and each has different investors (although investors from Blackstone Inc. different investment funds may overlap). Each Blackstone Inc. holding company has its own management board, which often includes representatives of Blackstone.
3. R Systems International Limited is a technology provider company related to artificial intelligence, analytics and insights services. R Systems works with clients to enable or enhance their digital transformation with its differentiated digital offerings. Target's services and solutions extent to five major business sectors, Technology, Telecommunications, Health & Life Science, Finance & Insurance, and Retail & E-commerce

The concentration under consideration is formed in the basis of a share purchase agreement (hereinafter the "Agreement") dated November 16, 2022, which was agreed by and between the Sellers (as defined in Appendix I of the Agreement), and BCP Asia II Topco, acting as the Buyer. As per the Agreement, if certain conditions are met, BCP Asia II Topco will acquire the majority share capital of R Systems from the Sellers.

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 Blackstone via BCP Asia II Topco.

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 market is the provision of informatic (IT) services.

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.

Therefore, there is horizontal overlap between the Parties in the market of provision of informatic (IT) services in Cyprus, in which both Parties operate. Their combined market share is [0-5] % having as result no horizontally affected market in the Republic of Cyprus.

None of Blackstone's activities in Cyprus relate to a vertically related market, upstream or downstream, of the Target's activities.

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