

Class: UP/I 034-03/19-02/010
Reg.no: 580-11/107-2019-004
Zagreb, 2 September 2019

Subject: Gitone Adriatic d.o.o., Zagreb and Liburnia Riviera Hoteli d.o.o., Opatija

- Dismissal of pre-notification of concentration

Case summary:

The Croatian Competition Agency dismissed the pre-notification of the concentration between the undertakings Gitone Adriatic and Liburnia Riviera Hoteli (LRH) due to the fact that within the meaning of Article 17 paragraph 6 of the Competition Act the criteria for the initiation of the compatibility assessment proceeding in this particular case have not been satisfied.

The Croatian Competition Agency (CCA) dismissed the notification of the proposed concentration between the undertakings Gitone Adriatic and Liburnia Riviera Hoteli (LRH) whereby Gitone Adriatic acquires the majority interest in LRH.

It must be noted that the undertaking Gitone Adriatic was founded by the undertaking Gitone Kvarner as a special purpose entity for the implementation of the concentration concerned. Gitone Kvarner is at the same time a special purpose entity for the transaction concerned established by the Austrian undertaking Gitone Beteiligungsverwaltungs GmbH, whereas all the listed undertakings are under control of Vienna-based Holster Privatstiftung.

The CCA dismissed the pre-notification concerned due to the fact that pursuant to the notification itself and the accompanying documentation, the acquirer – the undertakings Gitone Adriatic and Gitone Kvarner, does not meet the criteria for the initiation of the compatibility assessment proceeding with respect to the annual turnover realized by the sale of goods and/or services in the global market and on the Croatian market.

Namely, in line with the Competition Act, the parties to the concentration are obliged to notify any proposed concentration to the CCA if the total turnover of all the undertakings - parties to the concentration amounts to at least HRK 1 billion, and, the total turnover of each of at least two parties to the concentration realized in the national market of Croatia, amounts to at least HRK 100 million. Both criteria must be cumulatively met.

Given that in this particular case the specified legal conditions have not been satisfied, the CCA dismissed the pre-notification of concentration made by Gitone Adriatic.