



**BEFORE THE
COMPETITION COMMISSION OF PAKISTAN**

FIRST PHASE REVIEW

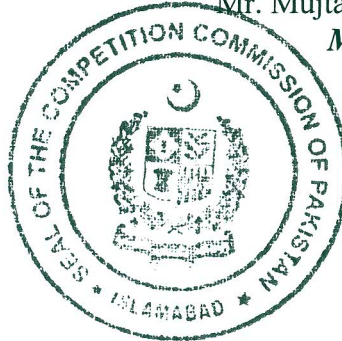
**IN THE MATTER OF JOINT VENTURE BETWEEN M/S. BEIJING BOE VISION
ELECTRONIC TECHNOLOGY CO., LTD AND M/S. HOYA CORPORATION**

CASE: 1273/Merger-CCP/22

ML.

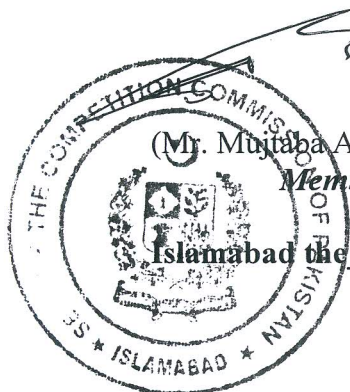
Commission

Mr. Mujtaba Ahmad Lodhi
Member



ORDER

1. On March 28, 2022 the Competition Commission of Pakistan ("**Commission**") received a pre-merger application ("**Application**") of a proposed acquisition pursuant to Section 11 of the Competition Act, 2010 ("**Act**") read with Regulation 6 of the Competition (Merger Control) Regulations, 2016 ("**Merger Regulations**") whereby M/s. Beijing BOE Vision Electronic Technology Co., Ltd. ("**JV Party 1**") and M/s. HOYA Corporation ("**JV Party 2**"), intend to undertake the joint venture through formation of a new company under the name of M/s. HOYA BOE Microelectronics China LTD ("**JV**") in accordance with the terms set out in the Joint Venture Contract ("**JVC**") dated October 22, 2021, executed between the parties.
2. The Commission has examined the Application as well as all the documents attached therewith, the market scenario, and has made its observations on the basis of an independent research/investigation in the relevant market. The Phase I competition assessment of the intended transaction has resulted in the following findings:
 - i. The business activities of the undertakings concerned are:
 - a. For JV Party 1: Interface devices, smart IoT systems and smart medicine & engineering integration.
 - b. For JV Party 2: Manufacturing optical products such as photomasks, photomask blanks and hard disk drive platters, contact lenses and eyeglass lenses for the health-care market, medical photonics, lasers, photographic filters, and software.
 - ii. The proposed transaction involves JV Party 1 and JV Party 2 to form a Joint Venture on a 50:50 ratio basis. This is a foreign-to-foreign transaction and the transaction value is deemed at RMB 1 Billion (equivalent to PKR: 100,000,000,000/-).
 - iii. The relevant product market identified in this case is that of "**Photomask for flat panel display**" while the relevant geographic market has been restricted to "**Pakistan**". The Joint Venture will not operate in Pakistan, therefore, it will have 0% market share in the relevant geographic market. JV Party 2's group companies have presence in Pakistan through sales of different products but not in the relevant market.
3. Ancillary restriction has been reported with this transaction, which may require exemption under Section 5 of the Act, read with Regulation 4 of the Competition Commission (Exemption) Regulations, 2020.
4. In conclusion, the intended transaction, does not meet the presumption of dominance as determined under Section (2) (1) (e) read with Section 3 of the Act. The proposed transaction is hereby authorized under Section 31 (1) (d) (i) of the Act.
5. It is so ordered.



(Mr. Mujtaba Ahmad Lodhi)
Member

Islamabad the 5th APRIL, 2022.