



**BEFORE THE
COMPETITION COMMISSION OF PAKISTAN**

FIRST PHASE REVIEW

**IN THE MATTER OF ACQUISITION OF __ % SHAREHOLDING OF M/S. LCC
PAKISTAN PRIVATE LIMITED BY M/S. ZT ALKABIZAH LLC FROM
M/S. TALKPOOL AG.**

CASE: 1278/Merger-CCP/22

Commission

Ms. Rahat Kaunain Hassan
Chairperson



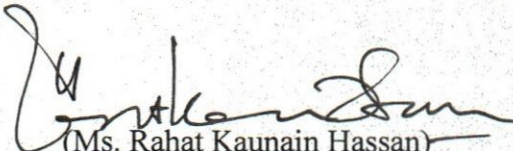
Mujtaba Ahmad Lodhi
Member

ORDER

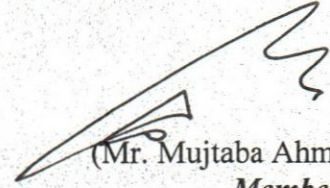
1. On April 08, 2022 the Competition Commission of Pakistan ("**Commission**") received a pre-merger application ("**Application**") of a proposed acquisition pursuant to Section 11 of the Competition Act, 2010 ("**Act**") read with Regulation 6 of the Competition (Merger Control) Regulations, 2016 ("**Merger Regulations**") from M/s. ZT AlKabizah LLC ("**Acquirer**" or "**Applicant 1**") and M/s. LCC Pakistan (Private) Limited ("**Target**" or "**Applicant 2**") whereby the Acquirer intends to acquire % shareholding in the Target from M/s. Talkpool AG ("**Seller**") by virtue of the Share Sale and Purchase Agreement dated February 16, 2022. All requisite information/documentation pertaining to the application was completed on April 21, 2022.
2. The Commission has examined the Application as well as all the documents attached therewith, the information provided by the undertakings concerned and the market scenario. 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 the Acquirer: is an Investment company for its holding company, M/s. ZT Group (Pvt.) Ltd, which is based in Pakistan.
 - b. For the Target: provides technical services to telecom operators and telecom OEM (Original Equipment Manufacturers) companies.
 - c. For the Seller: an IT and telecommunication service provider and management company.
 - ii. The proposed transaction involves the Acquirer purchasing % shareholding of the Target from the Seller which will result in change of control of the Target. The transaction value is PKR : . The transaction will take place outside Pakistan as both, the Acquirer and the Seller, are foreign companies based in Switzerland and KSA respectively.
 - iii. As stated above, the Target mainly provides technical services to telecom operators and telecom OEM (Original Equipment Manufacturers) such as *inter alia* engineering and manpower outsourcing services relating to wireless network development, network operations, maintenance management and network performance optimization. Therefore, the relevant product market in this case is identified as "**Technical Services for the Telecom Sector**", while the relevant geographic market is "**Pakistan**".
 - iv. As stated in the Application and based on information provided by the undertakings concerned, the Target's share in the market is % . Post-transaction, the market shares of the Target will remain unchanged. The main competitors of the Target are "Netkom Technologies Ltd" and "Turnotech" which operate in the same relevant market as the Target and share approximately % of the market between the two of them.
3. Ancillary restrictions have 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.


(Ms. Rahat Kaunain Hassan)

Chairperson



(Mr. Mujtaba Ahmad Lodhi)

Member

Islamabad the 12th of May, 2022.

