



BEFORE THE
COMPETITION COMMISSION OF PAKISTAN

FIRST PHASE REVIEW

IN THE MATTER OF ACQUISITION OF [] % SHAREHOLDING OF
M/S. ELEVATE MANAGEMENT LIMITED BY M/S. LRQA GROUP LIMITED AND
M/S. DIONE TOPCO LIMITED

CASE: 1261/Merger-CCP/22

Commission

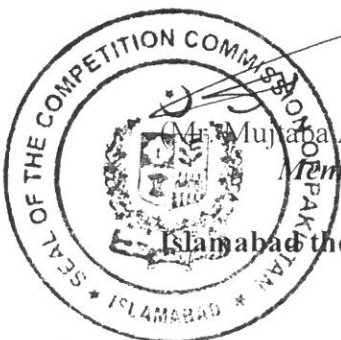
Mr. Mujtaba Ahmad Lodhi
Member



Ms. Shaista Bano
Member

ORDER

1. On February 14, 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. Dione TopCo Limited ("**Acquirer 1**") and M/s. LRQA Group Limited ("**Acquirer 2**") whereby they intend to acquire % shareholding in M/s. Elevate Management Limited ("**Target**") from M/s. Airo Holding B.V ("**Airo**"), M/s. Elevate Global Limited ("**EGL**"), M/s. Elevate TML Limited ("**ETMLL**") and certain individual shareholders (collectively as "**Sellers**").
2. The Commission has examined the Application as well as all the documents attached therewith, the market scenario, and 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 Acquirer 1: Recently incorporated special purpose vehicle and does not have any business activities.
 - b. For Acquirer 2: Provides business assurance, inspection and cybersecurity consulting services.
 - c. For the Target: A social compliance assessment and improvement service provider
 - ii. The proposed transaction involves the Acquirers purchasing shares which represent % of the total issued share capital and control of the Target for a purchase price of USD 130 million (equivalent to PKR /-) from the Sellers. This is a foreign-to-foreign transaction.
 - iii. The relevant product markets in this case are identified as "**Testing, Inspection, Certification/Verification/Classification ("TIC") services**" while the relevant geographic market is "**Pakistan**". Based on the data provided in the application, Acquirer 2's and Target's market share respectively to be extremely low, and that it would, in any event, not exceed % in Pakistan.
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. Mujtaba Ahmad Lodhi)
Member

Islamabad the MARCH 10th, 2022.

(Ms. Shaista Bano)
Member