



**BEFORE THE
COMPETITION COMMISSION OF PAKISTAN**


FIRST PHASE REVIEW

**IN THE MATTER OF ACQUISITION OF % SHAREHOLDING OF
M/S. SHELL PAKISTAN LIMITED BY M/S. WAFI ENERGY HOLDING LIMITED
FROM M/S. THE SHELL PETROLEUM COMPANY LIMITED.**

CASE: 1448/Merger-CCP/2024

Commission




Mr. Kabir Ahmed Sidhu
Chairman

ORDER

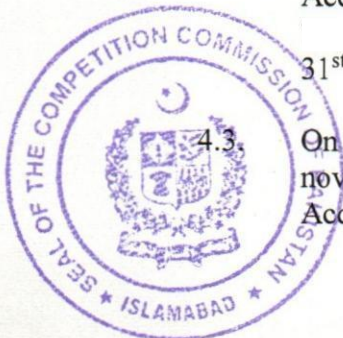
1. On 20th May 2024 the Competition Commission of Pakistan (hereafter the “**Commission**”) received a pre-merger application (hereafter the “**Application**”) from M/s. Wafi Energy Holding Limited (hereafter the “**Acquirer**”).
2. The Application was made pursuant to Section 11 of the Competition Act, 2010 (hereafter the “**Act**”) read in conjunction with Regulation 6 of the Competition (Merger Control) Regulations, 2016 (hereafter the “**Merger Regulations**”).
3. The proposed transaction entails acquisition of _____ % shareholding of M/s. Shell Pakistan Limited (hereafter the “**Target**”), by the Acquirer, from M/s. The Shell Petroleum Company Limited (hereafter the “**Seller**”), pursuant to a Share Purchase Agreement dated 31st October 2023 (hereafter the “**Agreement**”).
4. The Commission has examined the Application as well as all the documents attached therewith and the information provided by the concerned undertaking(s). The Phase I competition assessment of the intended transaction has revealed the following facts:

4.1. The business activities of the undertakings concerned are:

- (i) The Acquirer: It is a private holding company limited by shares incorporated under the laws of Abu Dhabi Global Market, United Arab Emirates and is established as a special purpose vehicle for investment purposes. It is wholly owned by Mr. Osama Hussain M. Al Sayed.
- (ii) The Target: A public listed company incorporated under the laws of Pakistan. It is engaged in the retail supply of motor fuels, offering associated services, and providing lubricants for motor vehicle and industrial applications across Pakistan.
- (iii) The Seller: It is a limited liability company incorporated in the United Kingdom. It owns, directly or indirectly, investments in numerous companies in the Shell Group engaged in all principal aspects of the oil and natural gas industry.
- (iv) Original Acquirer: M/s. Wafi Energy LLC a Saudi energy company specialized in the management and operation of fuel stations. It is a wholly owned affiliate of Asyad Holding Group established on 17th September, 2012.

4.2. As submitted in the Application and set out in the Agreement, initially the Original Acquirer executed the Agreement to purchase _____ shares (constituting a _____ % shareholding of the Target) from the Seller pursuant to the Agreement on 31st October 2023.

4.3. On 1st April 2024, the Seller, Original Acquirer and the Acquirer entered into a novation agreement by virtue of which all the rights and obligations of the Original Acquirer were assigned and transferred to the Acquirer.



- 4.4. Upon completion of the notified merger and acquisition of shares, the Acquirer shall have direct control of the Target. The purchase price for the shares is USD _____ (equivalent to PKR _____).
- 4.5. The relevant product markets in this case have been identified as “**Retail Fuel**”, “**Vehicle Lubricants**” and “**Industrial Lubricants**” and the relevant geographic market is “**Pakistan**”.
- 4.6. As per the Application, the Target’s market share in Retail Fuel category is _____%, Vehicle Lubricants category is _____% while in Industrial Lubricants category it is _____% which shall remain the same post-transaction. Additionally, as per the report published by Oil Companies Advisory Council, Target has an overall share in the Oil Marketing sector of under _____% for the year _____¹.
5. Ancillary restrictions have been reported in this transaction, which may require exemption under Section 5 of the Act, read with Regulation 4 of the Competition Commission (Exemption) Regulations 2020. This Order is without prejudice to any such requirements.
6. The proposed transaction will not result in dominance of the Acquirer in the relevant market, post-transaction, as determined under Section 2(1)(e) read with Section 3 of the Act. Therefore, the said transaction is hereby authorized under Section 31(1)(d)(i) of the Act.
7. Notwithstanding the above, matters which may fall outside the scope of the Commission’s purview, remain subject to applicable laws
8. It is so ordered.



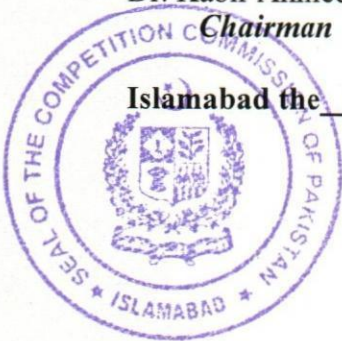
Dr. Kabir Ahmed Sidhu

Chairman

Islamabad the

03rd July

, 2024.



¹ <https://www.ocac.org.pk/pakistan-oil-report-2022-23/>