



**BEFORE THE
COMPETITION COMMISSION OF PAKISTAN**

FIRST PHASE REVIEW

**IN THE MATTER OF ACQUISITION OF 100% SHAREHOLDING IN M/S. TNB
POWER DAHARKI LIMITED BY M/S. ASIAPAK INVESTMENTS LIMITED
FROM M/S. TENAGA NASIONAL BERHAD.**

CASE: 1153/Merger-CCP/21

Commission

ML.
Mr. Mujtaba Ahmad Lodhi
Member

Shaista
Ms. Shaista Bano
Member



ORDER

1. On February 17, 2021 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. AsiaPak Investments Limited ("**Applicant**" or "**Acquirer**") intends to acquire 100% shareholding in M/s. TNB Power Daharki Limited ("**Target**") from M/s. Tenaga Nasional Berhad ("**Seller**"), resulting in the ultimate change of control of M/s. TNB Liberty Power Limited ("**Ultimate Target**") pursuant to a Share Sale Agreement.
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 the Acquirer: A capital investment holding company.
 - b. For the Target: Investment holding.
 - c. For the Ultimate Target: Thermal power plant
 - d. For the Seller: Malaysian multinational electricity company.
 - ii. The proposed transaction involves the Acquirer intending to purchase 100% shareholding in the Target from the Seller, resulting in the ultimate change of control of the Ultimate Target.
 - iii. The transaction consideration value is USD 50 million (approximately to PKR 7,868,045,000 as at 09/03/2021). The funds will be transferred into the Seller's account, maintained abroad, from Pakistan.
 - iv. The relevant product market identified in this case is that of "**Thermal Power Generation**" having a geographic market identified as of "**Pakistan**", excluding areas served by K-Electric. Based on the data available, the Target has approximately 1.36% share in the relevant market based on power generation capacity.
 - v. Post-transaction, the market conditions will remain unchanged, while the Acquirer enter the energy segment through this transaction.
3. 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.
4. It is so ordered.

(Mr. ~~Mu~~ Mustafa Ahmad Lodhi)
Member

(Ms. Shaista Bano)
Member

Islamabad the MARCH 11, 2021.

