



BEFORE THE  
COMPETITION COMMISSION OF PAKISTAN

FIRST PHASE REVIEW

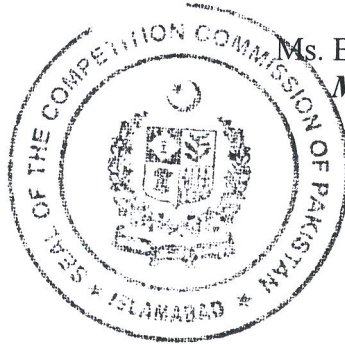
IN THE MATTER OF ACQUISITION OF ADDITIONAL 1 % SHAREHOLDING IN  
M/S. ALFALAH INSURANCE COMPANY LIMITED BY H.H. SHEIKH NAHAYAN  
MUBARAK AL NAHAYAN FROM M/S. AL AIN CAPITAL LLC

CASE: 1111/Merger-CCP/2020

Commission

Ms. Shaista Bano  
*Member*

Ms. Bushra Naz  
*Member*

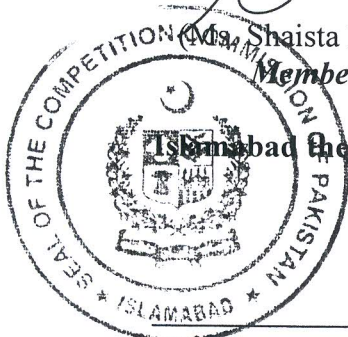


## ORDER

1. On 7<sup>th</sup> August 2020, the Competition Commission of Pakistan ("**Commission**") received a pre-merger application ("**Application**") submitted jointly by M/s. Alfalah Insurance Company Limited ("**Alfalah**" or "**Target**") and M/s. Al Ain Capital LLC ("**Seller**") of the proposed acquisition of additional % shareholding in the Target by H.H. Sheikh Nahayan Mubarak Al Nahayan ("**Acquirer**") from the Seller pursuant to Section 11 of the Competition Act, 2010 ("**Act**") read with Regulation 6 of the Competition (Merger Control) Regulations, 2016 ("**Merger Regulations**") in accordance with Share Purchase Agreement ("**Agreement**"). All requisite information/documentation pertaining to the application was completed on July 12, 2021.
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 markets. 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: an individual who is a director/shareholder and chairman of the Target, M/s. Bank Alfalah Limited and M/s. Taavun Private Limited.
    - b. For Target: provision of general non-life insurance.
    - c. For Seller: holding company.
  - ii. Pursuant to the Agreement, the proposed transaction involves sale of \_\_\_\_\_ shares (approx. \_\_\_\_\_ % shareholding) of the Target by the Seller to the Acquirer. The estimated consideration amount is estimated to be PKR \_\_\_\_\_ /-<sup>1</sup>.
  - iii. The relevant market in this case have been identified as of "**General/Non-Life Insurance Market**" and the relevant geographic market is "**Pakistan**".
  - iv. As per the data submitted, the Target has an estimated market share of 3% in the relevant market, which will remain same post-transaction.
  - v. Currently, the Acquirer holds \_\_\_\_\_ % shareholding in the Target. Upon completion of the proposed transaction, the Acquirer's shareholding will increase to \_\_\_\_\_ %.
3. In conclusion, the proposed transaction does not meet the presumption of dominance as determined under Section (2) (1) (e) read with Section 3 of the Competition Act 2010 ("**Act**"). The proposed transaction is hereby authorized under Section 31 (1) (d) (i) of the Act.
4. It is so ordered.

(Ms. Shaista Bano)  
Member

(Ms. Bushra Naz)  
Member



14<sup>th</sup> JULY, 2021.

<sup>1</sup> This is based on the breakup value of the Company as on 31<sup>st</sup> March 2020, however the final purchase price will be agreed between the Acquirer and Seller with mutual consent.