



**BEFORE THE  
COMPETITION COMMISSION OF PAKISTAN**

**FIRST PHASE REVIEW**

**IN THE MATTER OF ACQUISITION OF \_\_\_% SHAREHOLDING OF M/S.  
VARIAN BY M/S. SIEMENS HEALTHINEERS HOLDING I.**

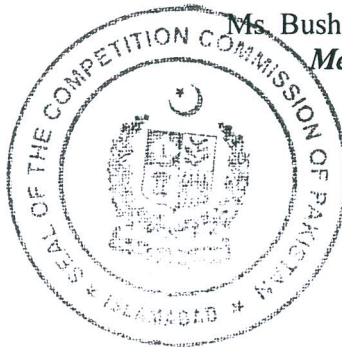
**CASE: 1124/Merger-CCP/20**

Commission

*ML*

Mr. Mujtaba Ahmad Lodhi  
*Member*

*Ms. Bushra Naz Malik*  
*Member*



## ORDER

1. On 18<sup>th</sup> November 2020 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. Siemens Healthineers AG ("**Siemens**" or "**Ultimate Acquirer**") whereby it intends to acquire % shareholding M/s. Varian Medical Systems ("**Varian**" or "**Target**") through M/s. Siemens Healthineers Holding I ("**Siemens Holding**" or "**Acquirer**") and M/s. Falcon Sub Inc. ("**Falcon**"), pursuant to the agreement and plan of the merger ("**Agreement**"). All requisite information/documentation pertaining to the application was completed on December 21, 2020.
2. The Commission has examined the Application as well as all the documents attached therewith, the market scenario, and its observations on the basis of 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 Ultimate Acquirer: Provider of healthcare solutions and services.
    - b. For the Acquirer: Company is formed for the above-mentioned transaction.
    - c. For the Target: Manufacturer of medical devices and software solutions for treating cancer and other medical conditions with radiotherapy and other medical conditions.
  - ii. The proposed transaction involves the Acquirer proposing to buy 100% shareholding of the Target. The transaction consideration is USD 1,000,000,000 (Approx. PKR 1,000,000,000) as on December 23, 2020).
  - iii. The relevant product market in this case has been identified as that of "**Oncology Treatment Solutions**" while the relevant geographic market identified is Pakistan.
  - iv. As per the data supplied by the Applicant, estimated market share for External Beam Radiation therapy for the year 2019 is %, estimated market share for Oncology Information Systems for the year 2019 is % and estimated market share for Brachytherapy for the year 2019 is %.
  - v. There are no overlaps in the activities of the merger parties, therefore, post-transaction, market conditions will remain unchanged.
3. Ancillary restriction 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) Regulation, 2020.
4. The intended acquisition of shares does meet the presumption of dominance as determined under Section (2) (1) (e) read with Section 3 of the Act. However, there are no overlaps between the products offered by the Acquirer and the Target. Thus, market position of the Merger Parties will remain unchanged. The proposed transaction is hereby authorized under Section 31 (1) (d) (i) of the Act.
5. It is so ordered.

(Mr. Mujtaba Ahmad Lodhi)  
*Member*

(Ms. Bushra Naz Malik)  
*Member*

Islamabad the 24<sup>th</sup> December, 2020.

