



BEFORE THE
COMPETITION COMMISSION OF PAKISTAN

FIRST PHASE REVIEW

IN THE MATTER OF SUBSCRIPTION OF % SHAREHOLDING OF M/S. ARK
METALS (PRIVATE) LIMITED BY M/S. HUB POWER HOLDINGS LIMITED.

CASE: 1483/Merger-CCP/2024

Commission

Commission



Dr. Kabir Ahmed Sidhu
Chairman

ORDER

1. On 18th September, 2024, the Competition Commission of Pakistan (hereafter the “**Commission**”) received a pre-merger application (hereafter the “**Application**”) concerning the following parties:
 - i. M/s. Hub Power Holdings Limited (hereafter the “**Acquirer**”); and
 - ii. M/s. Ark Metals (Private) Limited (hereafter the “**Target**”).
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 subscription of % shareholding of the Target by the Acquirer as per the Joint Venture Agreement (hereafter the “**Agreement**”) dated 26th August, 2024.
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 Commission carried out Phase I competition assessment of the intended transaction which revealed the following facts:
 - 4.1. Acquirer: M/s. Hub Power Holdings Limited is a public unlisted company incorporated under the laws of Pakistan. It is an investment entity that has made various strategic investments in companies. The Acquirer’s parent company, M/s. The Hub Power Company Limited is a prominent player in the energy sector of Pakistan.
 - 4.2. Target: M/s. Ark Metals (Private) Limited is a private limited company incorporated under the laws of Pakistan. The Target is currently not operational, however it will be engaged in the exploration, development, execution, construction, production, operations, maintenance and asset sale of mineral mines.
 - 4.3. As submitted in the Application and set out in the Agreement, the Acquirer will subscribe % shareholding of the Target. The total estimated amount under consideration to be paid is USD (approximately PKR) that is payable in trenches over the course of year. If the Target achieves certain development milestones (as per the Agreement), the Acquirer will further invest an additional USD (approximately PKR) in the Target.
 - 4.4. The relevant market in this case has been identified as “**Exploration and Mining of Metallic Minerals**” and the relevant geographic market is “**Pakistan**”.
 - 4.5. As per the data provided in the Application, the Acquirer will gain presence in the relevant market through its investment in the Target. Since the Target is not operational, the proposed transaction will not have an impact on dynamics of the market.
5. 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. This order is without prejudice to any such requirements.

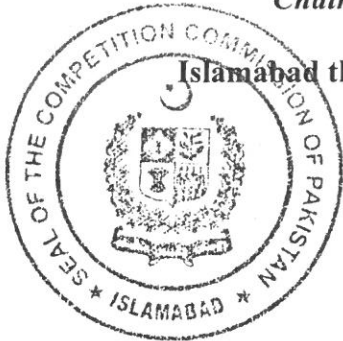


6. The proposed transaction will not result in dominance of the Acquirer in the relevant market, post-transaction, as determined under Section 2(1)(e) read with Section 3 of the Act. Therefore, it is hereby authorized under Section 31(1)(d)(i) of the Act.
7. Notwithstanding the above, matters which may 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 20th NOVEMBER, 2024.