



BEFORE THE
COMPETITION COMMISSION OF PAKISTAN

FIRST PHASE REVIEW

IN THE MATTER OF ACQUISITION OF % SHAREHOLDING BY M/S. MITSUI
BUSSAN METALS CO., LTD OF M/S. ALCOM HOLDINGS LIMITED FROM M/S.
ALCO WKY HOLDINGS LIMITED.

CASE: 1301/Merger-CCP/2022

Commission

Ms. Rahat Kaunain Hassan
Chairperson

ML.

Mujtaba Ahmad Lodhi
Member



ORDER

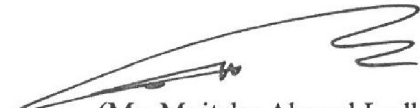
1. On 21st June, 2022 the Competition Commission of Pakistan ("**Commission**") received a pre-merger application ("**Application**") pursuant to Section 11 of the Competition Act, 2010 ("**Act**") read with Regulation 6 of the Competition (Merger Control) Regulations, 2016 ("**Merger Regulations**") from M/s. Mitsui Bussan Metals Co., Ltd ("**Mitsui**" or "**Acquirer**") concerning the proposed acquisition of 100% shareholding in M/s. Alcom Holdings Limited ("**Alcom**" or "**Target**") from M/s. Alco WKY Holdings Limited ("**Alco**" or "**Seller**"). All requisite information/documentation pertaining to the Application was completed on 13th July, 2022.
 2. The Commission has examined the Application as well as all the documents attached therewith, the information provided by the undertakings concerned and the market scenario. The Phase I competition assessment of the intended transaction has revealed in the following facts:
 - i. The concerned undertakings are:
 - a. Acquirer: Engaged in procuring secondary aluminum ingots and selling the same to downstream sectors such as automobile and construction. It is a wholly owned subsidiary of Mitsui & Co Ltd. Its group companies are mostly active in the sectors of mineral and metal resources, infrastructure projects and chemicals etc.
 - b. Target: Engaged in manufacturing and sale of secondary aluminum ingots.
 - c. Seller: Engaged in manufacturing and sale of secondary aluminum ingots through its subsidiaries.
 - ii. As per the Application, the transaction under consideration is acquisition of 100% shareholding of the Target by the Acquirer from the Seller. The total estimated amount under consideration to be paid for 100% shareholding is HKD 100 million (approximately PKR 100 million/-).
 - iii. The relevant market in this case has been identified as "**Manufacturing and sale of secondary aluminum ingots**". The undertakings concerned are active globally within the Target's main operations in Hong Kong, China and the Acquirer's main operations in Japan. Therefore, the market shares in Pakistan cannot be determined and the relevant geographic market cannot be restricted to Pakistan.
 - iv. Internationally, the Acquirer has been a customer of the Target in the past. In Pakistan, the Acquirer mainly has its branch & liaison offices present, which are not active in any business/commercial activity related to the relevant product market. It also only made sales to the chemical fields industry in Pakistan which has no overlap with the relevant product market. The Target/Seller have only minimal indirect sales of the relevant product through third parties to entities in Pakistan.
- The Acquirer has an estimated market share of 100% and the Target has an estimated market share of 100% globally in the relevant markets.
- Undertakings applied for the merger clearance with the State Administration for Market Regulation (i.e. the Competition authority in China) which was issued on 18.07.2022.



3. 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. Matters falling outside the scope of the Commission's purview shall be handled in accordance with the relevant laws and regulations.


(Ms. Rahat Kaunain Hassan)

Chairperson



(Mr. Mujtaba Ahmad Lodhi)

Member



Islamabad the JULY 25th, 2022.