



**BEFORE THE
COMPETITION COMMISSION OF PAKISTAN**

FIRST PHASE REVIEW

**IN THE MATTER OF ACQUISITION OF % SHAREHOLDING OF WOOT TECH
(PRIVATE) LIMITED BY WAKEB DATA COMPANY FOR
TELECOMMUNICATIONS AND INFORMATION TECHNOLOGY FROM MR.
BILAL AHMED SIDDIQUI, MR. RAFAY AHMED AND MR. RAHEEL PASHA
KHAN.**

CASE: 1506/Merger-CCP/2024



**Dr. Kabir Ahmed Sidhu
Chairman**

ORDER

1. On 23rd December 2024, the Competition Commission of Pakistan (the “**Commission**”) received a pre-merger application (the “**Application**”) jointly submitted by Wakeb Data Company for Telecommunications and Information Technology (the “**Acquirer**”) and Woot Tech (Private) Limited (the “**Target**”), seeking approval for the acquisition of % shareholding in the Target from the existing shareholders namely Mr. Bilal Ahmed Siddiqui, Mr. Rafey Ahmed and Mr. Raheel Pasha Khan (the “**Sellers**”).
2. The Application was filed under Section 11 of the Competition Act, 2010 (the “**Act**”) read with Regulation 6 of the Competition (Merger Control) Regulations, 2016 (the “**Merger Regulations**”).

Merger Parties

Acquirer

3. Wakeb Data Company for Telecommunications and Information Technology (**Wakeb Data**) is a private limited company incorporated under the laws of the Kingdom of Saudi Arabia on 29th January 2019. The company is engaged in cutting edge solutions in artificial intelligence, machine learning, cognitive computing, and intelligent software applications.

Target

4. Woot Tech (Private) Limited (**Woot Tech**) is a private limited company incorporated under the laws of Pakistan on 26th May 2021. The company is engaged in the indigenous design and development of various types of drones such as rotary wing, fixed wing and hybrid vertical take-off and landing (VTOL) drones, as well as drones powered by jet engines, piston engines and electric motors.

Transaction

Pursuant to the Application and the terms of the draft Share Purchase Agreement executed between the Acquirer and the Sellers, the Acquirer has proposed to acquire shares of the Target, representing % of the shares held by the Sellers in the Target . The total consideration for the proposed acquisition is SAR (Approximately, PKR), which is deemed to be the transaction value (the “**Transaction**”).



Phase-I Competition Assessment

Procedural Review

6. The Commission performed a Phase-I competition assessment of the Application, along with its supporting documentation, to determine adherence to the Act and Merger Regulations. This evaluation particularly emphasized potential competitive issues, such as market dominance and competition following the merger.

Relevant Market

7. Based on the business activities of the Target, the relevant product market is defined as the market for “**Unmanned Aerial Vehicles (UAVs) and Drones**” technologies, encompassing various classes such as Aerial Target Drones, Mapping and Survey Drones, Industrial Inspection Drones, Delivery Drones, Surveillance Drones, Catapult Launcher Drones, Agricultural Drones, Research & Development Drones and Combat & Tactical Drones. The relevant geographic market is delineated as **Pakistan**, based on local supply conditions and consumer preferences that are likely to confine competition to national boundaries.

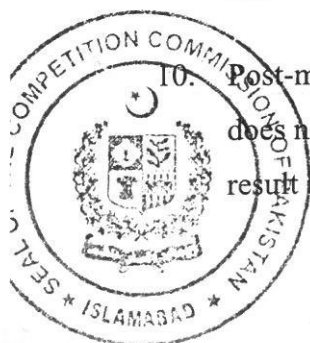
Market Share

8. According to the submissions, Woot Tech operates in a specialized and emerging segment of the broader UAV market, with strategic orientation towards defense and surveillance, delivery logistics, agriculture and academic R&D. The Target holds a market share of approximately % in the relevant market, with limited direct competition from indigenous developers and importers of drone technologies.

Competition Analysis

9. The Transaction is classified as a conglomerate acquisition, as there is no horizontal overlap or vertical integration between the business operations of the Acquirer and the Target. Wakeb Data has no direct presence in Pakistan and does not operate in the UAV segment. As such, the Transaction will not result in any structural change to existing market dynamics.

10. Post-merger, the Target's market share is expected to remain unchanged, as the Acquirer does not have a pre-existing presence in Pakistan. Consequently, the Transaction will not result in market dominance, concentration, or elimination of competitive forces.



11. Moreover, no concerns are identified regarding potential price increases, reduction in innovation, or suppression of market access for current or future competitors as a consequence of the Transaction.

Ancillary Restrictions

12. The Applicant has indicated that certain ancillary restraints have been mutually agreed upon and incorporated within the draft Agreement between the Sellers and the Merger Parties. The Merger Parties are accordingly directed to approach the Exemptions Department of the Commission for the requisite approval upon execution of the Agreement.

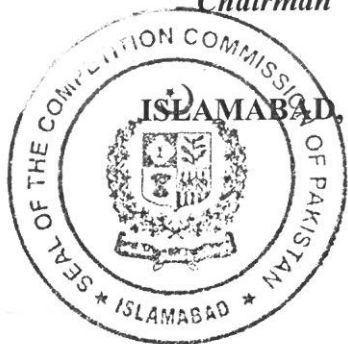
Determination

13. In light of the foregoing analysis, the Commission concludes that the proposed Transaction does not create or strengthen a dominant position, nor does it substantially lessen competition in the relevant market, as defined under Section 2(1)(e) read with Section 11 of the Act and the Merger Regulations. Accordingly, the proposed Transaction is hereby authorized under Section 31(1)(d)(i) of the Act.
14. Notwithstanding the above, matters which may fall outside the scope of the Commission's purview, remain subject to applicable laws, judicial orders and the oversight of relevant regulatory bodies.
15. It is so ordered.



Dr. Kabir Ahmed Sidhu

Chairman



May 2nd, 2025.