



BEFORE THE
COMPETITION COMMISSION OF PAKISTAN

FIRST PHASE REVIEW

IN THE MATTER OF ACQUISITION OF . % SHAREHOLDING IN M/S. LOUIS
DREYFUS COMPANY B.V BY M/S. APULEAF II LIMITED FROM M/S. LOUIS
DREYFUS COMMODITIES AND ENERGY HOLDINGS N.V.

CASE: 1139/Merger-CCP/21

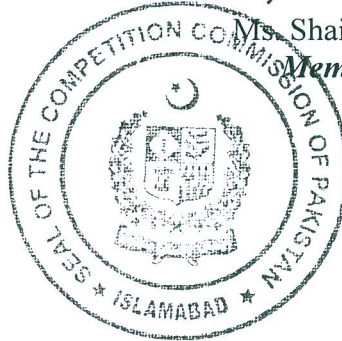
Commission

ML.

Mr. Mujtaba Ahmad Lodhi
Member

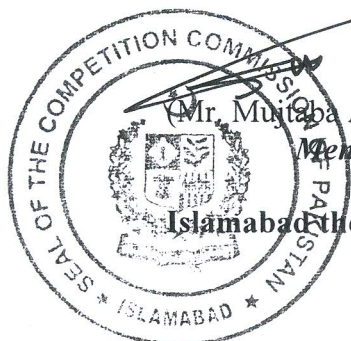
JSW

Ms. Shaista Bano
Member



ORDER

1. On January 08, 2021 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**") whereby M/s. Apuleaf II Limited ("**Applicant**" or "**Acquirer**") intends to acquire approximately \cdot % shareholding in M/s. Louis Dreyfus Company B.V ("**Target**") from M/s. Louis Dreyfus Commodities and Energy Holdings N.V. ("**Seller**"), pursuant to the Share Purchase Agreement (SPA). All requisite information/documentation pertaining to the application was completed on April 01, 2021.
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 Acquirer: Special Purpose Vehicle for investment.
 - b. For the Target: Multinational firm involved in agriculture, food processing, international shipping, and finance.
 - c. For the Seller: An intermediate holding company.
 - ii. Pursuant to the SPA, the Seller will hold \cdot % while the Acquirer will acquire \cdot % of a newly incorporated corporate vehicle, which will indirectly own 100% shareholding of the Target. The total transaction value is USD \cdot (equivalent to PKR \cdot as at March 15, 2021) subject to certain adjustments in accordance with the SPA. This transaction will take place abroad.
 - iii. The relevant product markets identified in this case are that of "**Rice Sourcing**", "**Cotton**" and "**Palm Oil**" having a geographic market identified as of "**Pakistan**". Based on the data provided in the application, the Target's estimated market shares in the Rice sourcing segment is \cdot %.
 - iv. The target via its subsidiary, M/s. Louis Dreyfus Company Pakistan (Pvt.) Limited, in Pakistan has a market share of \cdot % in cotton trade while 8% share in palm oil imports. In addition, in 2020 this subsidiary of the Target also imported a small amount of sugar into Pakistan which was a one-off sale. This import reflected \cdot % of the sugar sector in Pakistan.
 - v. Post-transaction, the market conditions will remain unchanged.
3. Ancillary restrictions of Non-Compete and Non-Solicitation clauses 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.
4. In conclusion, 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.
5. It is so ordered.



(Mr. Mujtaba Ahmad Lodhi)
Member

Islamabad the 6th APRIL, 2021.

(Ms. Shaista Bano)
Member