



BEFORE THE
COMPETITION COMMISSION OF PAKISTAN

FIRST PHASE REVIEW

IN THE MATTER OF ACQUISITION OF % SHAREHOLDING OF M/S OMV
MAURICE ENERGY LIMITED BY M/S DRAGON PRIME HONG KONG LIMITED

CASE: 952/Merger-CCP/18

Commission

Ms. Vadiyya S. Khalil
Chairperson



M. Jalil
Dr. Muhammad Saleem
Member

ORDER

1. On 14th March 2018 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**") through which M/s Dragon Prime Hong Kong Limited ("**Acquirer**" or "**Applicant**") intends to acquire shareholding in M/s OMV Maurice Energy Limited ("**Target**") by way of share purchase.
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 acquisition has resulted in the following findings:
 - i. The business activities of the undertakings concerned are:
 - a. For the Acquirer: Investment in energy companies
 - b. For the Target: Oil and gas exploration and production activities
 - ii. The proposed transaction is an acquisition of shareholding in the Target by the Acquirer. Currently both the Target and the ultimate parent company of the Acquirer (through its subsidiaries incorporated in Pakistan) operate in the relevant product market of "**Upstream Oil & Gas Exploration and Production**" having a geographic market identified as of "**Pakistan**".
 - iii. Post-transaction, United Energy Group Limited, the ultimate parent company of the Acquirer, will increase its market from to in oil segment while an increase from to will be evident in gas segment.
 - iv. The transaction is not likely to result in the creation or strengthening of a dominant position in the relevant market. The intended merger does not meet the presumption of dominance as determined under Section (2) (1) (e) read with Section 3 of the Competition Act 2010 ("**Act**").
3. In conclusion, the proposed transaction is not likely to substantially lessen competition through the creation or strengthening of a dominant position in the relevant market. The proposed transaction is hereby authorized under Section 31 (1) (d) (i) of the Act.
4. It is so ordered.

Vadiyya S. Khalil

(Vadiyya S. Khalil)
Chairperson

Islamabad the 13th April, 2018.

M. Saleem

(Dr. Muhammad Saleem)
Member

