



BEFORE THE
COMPETITION COMMISSION OF PAKISTAN

FIRST PHASE REVIEW

IN THE MATTER OF ACQUISITION OF % SHAREHOLDING IN M/S. HABIB
ASSET MANAGEMENT LIMITED BY M/S. BANK AL HABIB LIMITED

CASE: 1068/Merger-CCP/19

Commission

Ms. Vadiyya S. Khalil
Chairperson

Dr. Shahzad Ansari
Member



ORDER

1. On 13th December 2019 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. Bank Al-Habib Limited ("**Acquirer**" or the "**Applicant**") intends to acquire ' % shareholding in M/s. Habib Asset Management Limited ("**Target**") in accordance with the terms of Share Purchase Agreement.
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: Commercial Bank.
 - b. For the Target: Asset management and Investment advisory services
 - ii. The proposed transaction consists of acquisition of ' % shareholding in the Target by the Acquirer. The relevant product market has been set as of "**Asset Management and Investment Advisory Services**" in which the Target is currently operating within **Pakistan**, where the conditions of competition are sufficiently homogeneous.
 - iii. Post-transaction, the market dynamics will remain unchanged as the Acquirer is not directly operating in the relevant product market and is only increasing its equity stake in the Target, from : % to : %, resulting in complete control. The consideration for the transaction is estimated to be PKR
 - 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

Dr. Shahzad Ansar

(Dr. Shahzad Ansar)
Member

Islamabad the 23rd Dec , 2019.

