BEFORE THE
COMPETITION COMMISSION OF PAKISTAN

FIRST PHASE REVIEW

IN THE MATTER OF ACQUISITION OF % SHAREHOLDING OF M/S. UNIFRUTTI INVESTMENTS LIMITED BY M/S. URUSBID RESTRICTED LIMITED.

CASE: 1300/Merger-CCP/22

Commission

Ms. Rahat Kaunain Hassan
Chairperson

Mr. Mujtaba Ahmad Lodhi
Member

ORDER

1. On June 22, 2022 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**") from M/s. Urusbid Restricted Limited ("**Applicant**" or "**Acquirer**") whereby the Acquirer intends to acquire)% shareholding of M/s. Unifrutti Investments Limited ("**Target**"). The Acquirer shall purchase % shareholding from M/s. Fruchte Holdings Limited ("**Seller**") pursuant to a Share Purchase Agreement dated March 30, 2022 and remaining 9% shareholding in the Target shall be subscribed by the Acquirer pursuant to a Subscription Agreement dated March 30, 2022 and. All requisite information/documentation pertaining to the Application was completed on September 6, 2022.

2. The Commission has examined the Application as well as all the documents attached therewith and the information provided by the concerned undertaking(s). The Phase I competition assessment of the intended transaction has revealed the following facts:

   i. The concerned undertakings are:

      A. Acquirer: It is a limited liability company, incorporated under the laws of the Abu Dhabi Global Market and is an indirect, wholly-owned subsidiary of M/s. Abu Dhabi Developmental Holding Company PJSC ("**ADQ**"). The Acquirer has been established for purposes of the Proposed Transaction. ADQ is a public joint stock company established in 2018 and is wholly-owned and controlled by the government of Abu Dhabi. ADQ is one of the region's largest conglomerates with a diverse portfolio with direct and indirect investments in over 90 companies that span globally across various industries *inter alia* food and agriculture, aviation, financial services, healthcare, industries, logistics, media, real estate, tourism and hospitality, transport, and utilities. ADQ's only nexus to Pakistan exists through its indirect joint-venture interests namely:

         a) Louis Dreyfus International Holding B.V. ("**LDC**") in which ADQ has an indirect % stake. LDC is headquartered in the Netherlands and is a merchant and processor of agricultural goods with activities spanning the entire value chain. In Pakistan, LDC is active in grains and oil seeds, soya beans, palm oil, freight, cotton and sugar through its subsidiaries;

            1) Louis Dreyfus Company Pakistan (Pvt.) Ltd. 99, having its principal place of business at 32-1-A, 5th Floor, Al-Tijarah Building, Main Shahrah-e-Faisal, Karachi ("**LDC Pakistan**");
            2) Louis Dreyfus Company Asia PTE Ltd (Singapore); and
            3) Louis Dreyfus Company Suisse SA (Switzerland);

         b) Al Dahra Group LLC ("**Al Dahra**") in which ADQ has an indirect %% stake. Al Dahra is headquartered in the United Arab Emirates and is a multinational company which is active in the agri business along the entire value chain. In Pakistan, Al Dahra is active in the rice milling and tradi- market through its subsidiary, a locally incorporated company named . Dahra Agricultural Company Pakistan Pvt. Ltd.) ("**Al Dahra Pakistan**").

      B. Target: It is a limited liability company, incorporated under the laws of the Republic of Cyprus in 2020. The Target is a producer and distributor of fresh fruits and their by-products, with activities across the entire value chain (marketing, sourcing, packaging, storage, trading and logistics).

      Seller: It is a limited liability company, established under the laws of the Republic of Cyprus and with its principal place of business in Nicosia, Cyprus. The Seller is a mere holding company which mainly controls and manages the Unifrutti Group's

business. Pre-transaction, the Seller holds)% of the total issued ordinary share capital of the Target.

ii. The Acquirer has entered into agreements with the Seller for obtaining % shareholding in the Target for a total consideration of USD (approximately PKR ( ) in the following manner:

A. The Acquirer will purchase shares representing (..%) of the total issued ordinary shares of the Target (the "**Sale Shares**") from the Seller pursuant to the Share Purchase Agreement dated March 30, 2022 for a consideration of USD /- (approximately PKR)/- as on September 6 2022);

B. Furthermore, the Acquirer will subscribe to new shares (the "**Subscription Shares**") in the Target pursuant to the Subscription Agreement dated March 30, 2022 representing 9% shareholding for a consideration of USD 1 3/- (approximately PKR /- as on September 6 2022).

C. As the transaction is taking place abroad, the amounts will be transferred between the parties outside Pakistan.

iii. The Proposed Transaction is a global deal that does not have any specific focus on Pakistan. There is no overlap in the activities of ADQ, and the Target in Pakistan as the Target is mainly operating in other countries including the Middle-East, Europe and Africa. There are only minor overlaps of the aforesaid parties in certain fresh fruit and fresh fruit by-product markets globally, which have no bearing on the Pakistan Market. Moreover, as stated above, Acquirer's ultimate parent company, ADQ's investment portfolio in Pakistan includes products such as grains and oil seeds, soya beans, palm oil, cotton, sugar and rice.

iv. In light of the above, the Relevant Product market in this case has been identified as the "**Production, Marketing and Distribution of Fresh Fruits & Juices**". The undertakings concerned are active globally and have no presence in the relevant product market in Pakistan, therefore, the relevant geographic market cannot be restricted to Pakistan.

3. The proposed transaction does not meet the presumption of dominance as determined under Section 2(1)(e) read with Section 3 of the Act. Hence, it is hereby authorized under Section 31(1)(d)(i) of the Act.

4. In the subject transaction, matters which may fall outside the scope of the Commission's purview shall be handled in accordance with the relevant laws and regulations.

5. It is so ordered.

(Ms. Rahat Kaunain Hassan)
Chairperson

(Mr. Mujtaba Ahmad Lodhi)
Member

SEAL OF THE COMPETITION COMMISSION OF PAKISTAN * ISLAMABAD *

Islamabad the 20th September, **2022.**