



BEFORE THE  
COMPETITION COMMISSION OF PAKISTAN

FIRST PHASE REVIEW

IN THE MATTER OF ACQUISITION OF [ ] % SHAREHOLDING OF  
M/S. ELEVATE MANAGEMENT LIMITED BY M/S. LRQA GROUP LIMITED AND  
M/S. DIONE TOPCO LIMITED

CASE: 1261/Merger-CCP/22

Commission

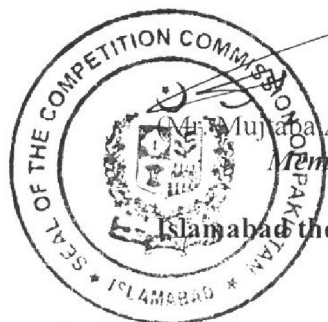
Mr. Mujtaba Ahmad Lodhi  
*Member*



Ms. Shaista Bano  
*Member*

## ORDER

1. On February 14, 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. Dione TopCo Limited ("**Acquirer 1**") and M/s. LRQA Group Limited ("**Acquirer 2**") whereby they intend to acquire \_\_\_\_\_ % shareholding in M/s. Elevate Management Limited ("**Target**") from M/s. Airo Holding B.V ("**Airo**"), M/s. Elevate Global Limited ("**EGL**"), M/s. Elevate TML Limited ("**ETMLL**") and certain individual shareholders (collectively as "**Sellers**").
2. The Commission has examined the Application as well as all the documents attached therewith, the market scenario, and made its observations on the basis of an 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 Acquirer 1: Recently incorporated special purpose vehicle and does not have any business activities.
    - b. For Acquirer 2: Provides business assurance, inspection and cybersecurity consulting services.
    - c. For the Target: A social compliance assessment and improvement service provider
  - ii. The proposed transaction involves the Acquirers purchasing \_\_\_\_\_ shares which represent \_\_\_\_\_ % of the total issued share capital and control of the Target for a purchase price of USD 130 million (equivalent to PKR \_\_\_\_\_/-) from the Sellers. This is a foreign-to-foreign transaction.
  - iii. The relevant product markets in this case are identified as "**Testing, Inspection, Certification/Verification/Classification ("TIC") services**" while the relevant geographic market is "**Pakistan**". Based on the data provided in the application, Acquirer 2's and Target's market share respectively to be extremely low, and that it would, in any event, not exceed \_\_\_\_\_ % in Pakistan.
3. Ancillary restrictions 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.



Mujtaba Ahmad Lodhi  
Member

Islamabad the MARCH 10<sup>th</sup>, 2022.

(Ms. Shaista Bano)  
Member