



**BEFORE THE
COMPETITION COMMISSION OF PAKISTAN**

FIRST PHASE REVIEW

**IN THE MATTER OF ACQUISITION OF % SHAREHOLDING OF M/S. TRAX
ONLINE (PRIVATE) LIMITED BY M/S. SECURE LOGISTICS GROUP LIMITED.**

CASE: 1529/Merger-CCP/2025

**Dr. Kabir Ahmed Sidhu
Chairman**



ORDER

1. On 26th March 2025, the Competition Commission of Pakistan (the “**Commission**”) received a pre-merger application (the “**Application**”) jointly from Secure Logistics Group Limited (the “**Acquirer**”) and Trax Online (Private) Limited (the “**Target**”), seeking approval for the proposed acquisition of % shareholding of the Target, pursuant to Scheme of Arrangement (the “**Agreement**”).
2. The Application was filed under Section 11 of the Competition Act, 2010 (the “**Act**”) read with Regulation 6 of the Competition (Merger Control) Regulations, 2016 (the “**Merger Regulations**”).

Merger Parties

Acquirer

3. Secure Logistics Group Limited (**SLGL**) is a public listed company incorporated under the laws of Pakistan on 18th April 2013. It is engaged in the business of long haul and medium haul logistics, asset tracking, fleet management, and security services.

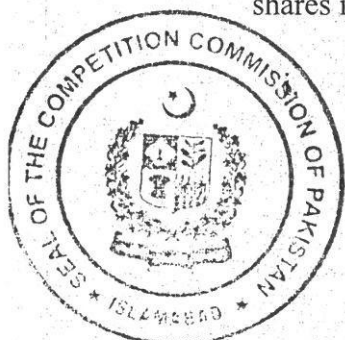
Target

4. Trax Online (Private) Limited (**Trax**) is a private limited company incorporated under the laws of Pakistan on 14th September 2017. It is engaged in warehousing and door-to-door delivery/e-commerce services.

Transaction

5. Pursuant to the Application and the Arrangement, as part of the proposed reorganization, ordinary shares of the Target, representing its entire issued and paid-up share capital held by the existing shareholders (Trax Arrangement Shareholders) shall be cancelled, and simultaneously, an equivalent number of shares shall be allotted to the Acquirer.
6. In consideration of the reorganization, the Acquirer shall issue fully paid-up ordinary shares in favor of the Trax Arrangement Shareholders, as follows:

Upon sanction of the Scheme by the Islamabad High Court, fully paid-up ordinary shares of the Acquirer, constituting % of the issued and paid up share capital of the Acquirer (at the time) on a fully diluted basis, shall be



issued to the Trax Arrangement Shareholders on the basis of a swap ratio of approximately shares of the Acquirer for ordinary share of the Target. The value of Swap shares is estimated to be PKR

- ii. Subject to achievement of certain KPI's by 31st March 2026, up to additional shares of the Acquirer (approximately % of its issued and paid up share capital of the Acquirer (at the time) on a fully diluted basis, shall be issued to the Trax Arrangement Shareholders ("**KPI Shares**"). The value of KPI shares is estimated to be up to PKR
 - iii. Upon formulation and implementation of an employee stock option scheme by Acquirer necessitating further issuance of % shares of the Acquirer, Trax Arrangement Shareholders shall be allotted and issued fully paid-up ordinary shares at par, in such a manner as to maintain their respective shareholding ratios existing at that point in the Acquirer ("**Anti-Dilution Shares**").
 - iv. Additionally, as part of the Scheme, a loan of PKR extended by Mr. Pervaiz Afzal Khan (hereafter "**PAK**") to the Acquirer shall be converted into equity at an agreed rate of PKR per share, resulting in the issuance of ordinary shares to PAK (or nominee(s)), valued at PKR
7. Pursuant to the above arrangements under the Scheme (and without assuming any other issuance of shares), the Trax Arrangement Shareholder's percentage shareholding in the Acquirer is expected to range between % to % of the Acquirer's issued and paid-up share capital, on a fully diluted basis.

Phase-I Competition Assessment

Procedural Review

8. The Commission performed a Phase-I competition assessment of the Application, along with its supporting documentation, to determine adherence to the Act and Merger Regulations. This evaluation particularly emphasized potential competitive issues, such as market dominance and competition following the merger.



Relevant Market

9. The relevant market, for the purposes of this assessment, is identified as **Courier & E-Commerce Logistic Services**. The relevant geographic market is **Pakistan**, based on local supply conditions and consumer preferences.

Market Share

10. According to the information provided in the Application, the Target's market share in the relevant market is estimated at approximately %, which is expected to remain unchanged post-transaction.

Competition Analysis

11. The proposed Transaction represents a conglomerate merger with no horizontal or vertical overlaps between the Acquirer and the Target. The Acquirer operates in logistics, asset tracking, fleet management and security services, whereas the Target provides warehousing and door-to door delivery/e-commerce services. Hence, no direct competition exists between them in the defined relevant market.

Determination

12. Based on the analysis conducted, the Commission concludes that the Transaction does not create or strengthen a dominant position in the relevant market, as defined under Section 2(1)(e) read with Section 11 of the Act and the Merger Regulations. The proposed Transaction is hereby authorized under Section 31(1)(d)(i) of the Act.
13. Notwithstanding the above, matters which may fall outside the scope of the Commission's purview, remain subject to applicable laws, judicial orders and the oversight of relevant regulatory bodies.
14. It is so ordered.

Dr. Kabir Ahmed Sidhu

Chairman



2nd MAY, 2025.