



BEFORE THE
COMPETITION COMMISSION OF PAKISTAN

FIRST PHASE REVIEW

IN THE MATTER OF ACQUISITION OF % SHAREHOLDING OF M/S.
THYSSENKRUPP DRITTE BETEILIGUNGSGESELLSCHAFT MBH AND %
SHAREHOLDING OF M/S. THYSSENKRUPP VIERTE
BETEILIGUNGSGESELLSCHAFT MBH BY M/S. EP CORPORATE GROUP, A.S.
FROM M/S. THYSSENKRUPP AG AND M/S. THYSSENKRUPP TECHNOLOGIES
BETEILIGUNGEN GMBH.

CASE: 1447/Merger-CCP/2024

Commission



Dr. Kabir Ahmed Sidhu
Chairman

ORDER

1. On 20th May, 2024 the Competition Commission of Pakistan (hereafter the “**Commission**”) received a pre-merger application (hereafter the “**Application**”) from M/s. EP Corporate Group (hereafter the “**Acquirer**”).
2. The Application was made pursuant to Section 11 of the Competition Act, 2010 (hereafter the “**Act**”) read in conjunction with Regulation 6 of the Competition (Merger Control) Regulations, 2016 (hereafter the “**Merger Regulations**”).
3. The proposed transaction entails acquisition of % shareholding of M/s. Thyssenkrupp Dritte Beteiligungsgesellschaft mbH (hereafter the “**Target 1**”) and % shareholding of M/s. Thyssenkrupp Vierte Beteiligungsgesellschaft mbH (hereafter the “**Target 2**”) by the Acquirer from M/s. Thyssenkrupp AG (hereafter the “**Seller 1**”) and M/s. Thyssenkrupp Technologies Beteiligungen GmbH (hereafter the “**Seller 2**”) pursuant to the Investment Agreement (hereafter the “**Agreement**”) dated 26th April, 2024.
4. 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:

4.1. The business activities of the undertakings concerned are:

- i. Acquirer: M/s. EP Corporate Group is a joint-stock company registered under the laws of the Czech Republic. Its principal activity is of a holding company.
- ii. Target 1: M/s. Thyssenkrupp Dritte Beteiligungsgesellschaft mbH is a private limited company registered under the laws of Germany. Its primary activity is that of a holding company.
- iii. Target 2: M/s. Thyssenkrupp Vierte Beteiligungsgesellschaft mbH is a private limited company registered under the laws of Germany. Its primary activity is that of a holding company. Furthermore, Target 1 and Target 2 jointly control M/s. Thyssenkrupp Steel Europe AG (hereafter the “**Indirect Target**”).
- iv. Indirect Target: M/s. Thyssenkrupp Steel Europe AG is a private limited company registered under the laws of Germany. It is a subsidiary of M/s. Thyssen Stahl GmbH. It is engaged in the business of production, processing, distribution, and sale of flat carbon steel products along with the integrated production chain. Only the Indirect Target is active in Pakistan through the sale of grain oriented electrical steel at the moment.
- v. Seller 1: M/s. Thyssenkrupp AG is a publically listed company registered under the laws of Germany. It is the Parent company of Thyssenkrupp Group which is mainly active in the production of and trading of materials, industrial and capital goods, and the provision of engineering services and solutions for industrial and sustainable progress.

Seller 2: M/s. Thyssenkrupp Technologies Beteiligungen GmbH is a private limited company registered under the laws of Germany. It is engaged in



development, planning, manufacture, construction distribution, and repair particularly of ships (shipyards) and the automotive industry.

- 4.2. As per the Application, the Acquirer has proposed to acquire [redacted] shares [redacted] % shareholding) of Target [redacted] shares ([redacted] % shareholding) from Seller 2 and [redacted] shares ([redacted] % shareholding) from Seller 1. Additionally, the Acquirer is acquiring [redacted] shares ([redacted] % shareholding) of Target 2 from Seller 1. The total consideration for the proposed acquisition amounts to EUR [redacted] (approx. PKR [redacted]).¹
- 4.3. The relevant product market, in this case, has been identified as “**Grain oriented electrical steel**” and the relevant geographic market is “**Pakistan**”.
- 4.4. As per the Application, market share of Indirect Target in the relevant geographical market is estimated to be [redacted] % by volume and [redacted] % by value, which will remain unchanged post-transaction. However, through this transaction, the Acquirer will gain presence in the relevant product market.
5. The proposed transaction will not result in dominance of the Acquirer in the relevant market, post-transaction, as determined under Section 2(1)(e) read with Section 3 of the Act. Therefore, the said transaction is hereby authorized under Section 31(1)(d)(i) of the Act.
6. Notwithstanding the above, matters which may fall outside the scope of the Commission’s purview, remain subject to applicable laws.
7. It is so ordered.



(Dr. Kabir Ahmed Sidhu)
Chairman



July 30, 2024.

¹ <https://www.sbp.org.pk/ecodata/rates/m2m/2024/Jun/27-Jun-24.pdf> EUR 1 = PKR 297.5