



**BEFORE THE
COMPETITION COMMISSION OF PAKISTAN**

FIRST PHASE REVIEW

**IN THE MATTER OF ACQUISITION OF 100% SHAREHOLDING OF M/S OLAM AGRI
HOLDINGS PTE. LTD BY M/S SAUDI AGRICULTURAL AND LIVESTOCK INVESTMENT
COMPANY.**

CASE: 1309/Merger-CCP/22

Commission


Ms. Rahat Kaunain Hassan
Chairperson




Mr. Mujtaba Ahmad Lodhi
Member

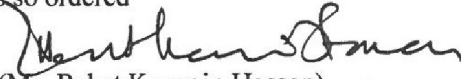
ORDER

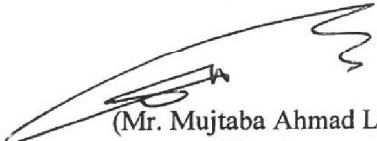
1. On July 25, 2022, Competition Commission of Pakistan (“**Commission**”) received a pre-merger application (“**Application**”) of a proposed merger/acquisition under Section 11 of the Competition Act, 2010 (“**ACT**”) read with Regulation 6 of the Competition (Merger Control) Regulations, 2016 (“**Merger Regulations**”) whereby M/s. Saudi Agricultural and Livestock Investment Company (“**SALIC**” OR “**Acquirer**”) intends to acquire _____% shareholding of M/s. Olam Agri Holdings Pte. Ltd (“**Target**”) from Olam Holdings Pte. Ltd (“**Olam Holdings**”), a wholly owned subsidiary of Olam Group Limited (“**seller**”) mentioned in 2(i)(d) below. All requisite information/documents pertaining to the Application was completed on 7th September, 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 business activities of the undertakings concerned are:
 - a. The Acquirer: Acquirer is established pursuant to the Royal Decree No M/22, dated 14-4-2009 as a Saudi joint stock company owned by the Public Investment Fund (PIF). Its charter stipulates that the company can contribute in the food security strategy inside and outside of the Kingdom of Saudi Arabia through provision of food products and stabilizing their prices. SALIC commenced its investments with several international companies in the field of agriculture, trade of grains, rice and meat in Canada, Australia, Brazil and United Kingdom.
 - b. The Target: Target is a company incorporated in Singapore, registered with the commercial registrar under number _____. It operates in different geographical locations across the globe namely Asia, Africa, America etc. as a merchant and processor of agricultural goods, and is active throughout the entire value chain.
 - c. Target operations deals with various products, including grains, cotton, rice and edible oils. In Pakistan, the Target is active in the wholesale trade of soybean, cotton and sawn timber.
 - d. The Seller: Olam Group Limited was incorporated in the Republic of Singapore, the principal activities of the seller are wholesale trade of variety of goods on a fee or commission basis. The seller through Olam Holdings will retain approximately _____% shareholding of the Target and upon acquisition both Acquirer and Seller will exercise the joint control over the Target.
 - ii. The proposed transaction involves the acquisition of _____% shareholding of Target. The total consideration for the transaction is \$ _____ estimated to be equivalent to PKR _____ approximately.¹
 - iii. The Relevant Product markets in this case have been identified as “**Wholesale Trade of Soybean, Cotton and Sawn Timber**” and the relevant geographic market is “**Pakistan**”.
 - iv. There are no overlaps in the relevant market between the Target’s and Acquirer’s operations. Moreover, post transaction, the market share of the Target will remain the same, i.e. 16% in sale of Soybean, _____% in sale of Cotton and 1.1% in sale of Sawn Timber, which is already less than the market share of major competitors of the Target in the relevant market.

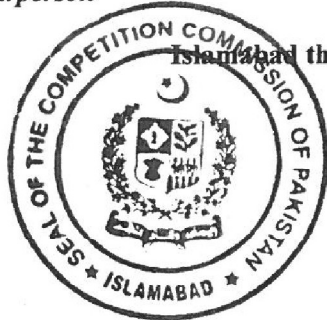


¹Transaction Value being calculated in PKR at conversion rate of Rs.219.14/\$ approximately.

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. This Order is without prejudice to any such requirements.
4. 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.
5. In the subject transaction, matters which may fall outside the scope of the Commission's purview shall be handled in accordance with the applicable laws.
6. It is so ordered


(Ms. Rahat Kaunain Hassan)
Chairperson


(Mr. Mujtaba Ahmad Lodhi)
Member



Islamabad the 12th September, 2022.