



**BEFORE THE
COMPETITION COMMISSION OF PAKISTAN**

FIRST PHASE REVIEW

**MERGER OF M/S. INTERMARKET SECURITIES LIMITED WITH AND INTO M/S.
EFG HERMES PAKISTAN LIMITED**

CASE: 1442/Merger-CCP/2024

Commission

(Dr. Kabir Ahmed Siddiqui)
Chairman

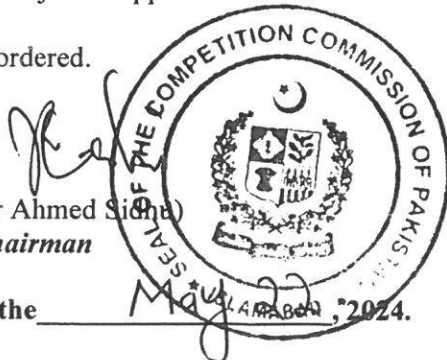


(Mr. Saeed Ahmad Nawaz)
Member

ORDER

1. On 1st April 2024 the Competition Commission of Pakistan (hereafter "**Commission**") received a pre-merger application (hereafter "**Application**") from M/s. EFG Hermes Pakistan Limited (hereafter "**Merger Party 1**").
2. The Application was made pursuant to Section 11 of the Competition Act, 2010 (hereafter "**Act**") read in conjunction with Regulation 6 of the Competition (Merger Control) Regulations, 2016 (hereafter "**Merger Regulations**").
3. The proposed transaction entails a merger of M/s. Intermarket Securities Limited (hereafter "**Merger Party 2**") with and into Merger Party 1, under the Scheme of Arrangement (hereafter "**Arrangement**") dated 29th February 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:
 - 4.1.1. Merger Party 1: A publicly listed company registered under the laws of Pakistan. Its principal object is to carry on the business of brokerage services in stocks and is engaged in financial brokerage, corporate finance, and financial research. Its clientele predominantly consists of foreign institutions.
 - 4.1.2. Merger Party 2: A public unlisted company registered under the laws of Pakistan. It is primarily engaged in the provision of stock brokerage services in Pakistan. It has a strong domestic clientele.
5. As per the Arrangement, the transaction relates to the merger of Merger Party 2 with and into Merger Party 1 through the allotment of _____ shares of Merger Party 1 to the shareholders of Merger Party 2. The agreed swap ratio for the transaction is _____ whereby, for every _____ share of Merger Party 2, Merger Party 1 will issue _____ shares to the shareholders of Merger Party 2. The value of the transaction is estimated to be PKR _____ /-.
 - 5.1. Post-transaction, Merger Party 2 will dissolve without winding up and Merger Party 1 will be the surviving entity.
 - 5.2. The reportable product market, in this case, has been identified as "**Brokerage Service**" while the relevant geographic market is "**Pakistan**".
 - 5.3. As submitted in the Application, the market share of Merger Party 1 is estimated to be _____ % and Merger Party 2 has an estimated market share of _____ %. Post-transaction Merger Party 2 will cease to exist and the market share of the surviving entity (Merger Party 1) is expected to rise to _____ %.
6. The proposed merger will not result in the dominance of Merger Party 1 in the reportable market, post-transaction, as determined under Section 2(1)(e) read with Section 3 of the Act. Therefore, it is hereby authorized under Section 31(1)(d)(i) of the Act.
7. In the subject transaction, matters which may fall outside the scope of the Commission's purview, remain subject to applicable laws.
8. It is so ordered.

(Dr. Kabir Ahmed Siddiqui)
Chairman



(Mr. Saeed Ahmad Nawaz)
Member

Islamabad the _____ 2024.