



**BEFORE THE
COMPETITION COMMISSION OF PAKISTAN**

FIRST PHASE REVIEW

**IN THE MATTER OF ACQUISITION OF UP TO 100% SHAREHOLDING OF M/S. YELLOW
DOOR ENERGY LIMITED BY M/S. SOLIS RENEWABLES INVESTMENT LIMITED.**

CASE: 1311/Merger-CCP/22

Commission

Ms. Rahat Kaunain Hassan
Chairperson

ML.



Ms. Muntaba Ahmad Lodhi
Member

ORDER

1. On July 26, 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. Solis Renewables Investment Limited (“**Solis**” OR “**Acquirer**”) intends to acquire up to % shareholding of M/s. Yellow Door Energy Limited (“**Target**”) from the selling shareholders, listed in 2(i)(c) below. All requisite information/documents pertaining to the Application was completed on 7 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 a special purpose vehicle (SPV) incorporated in England and Wales which has been setup for the purposes of the proposed transaction, the principal activity of the Acquirer revolves around making open-ended investments and acquiring shares of various enterprises. Actis GP LLP retains significant control over the Acquirer, it is a UK Limited Liability Partnership which was incorporated on 22nd November 2011. It is authorized by the financial conduct authority to carry out investment management and advisory services.
- b. The Target: Target is a private limited company incorporated in Abu Dhabi, its core activity is to design, finance, establish, operate and maintain PV solar plants as projects by procuring and setting-up fully manufactured solar plants for customers based in the markets of UAE, Jordan, Bahrain, Kingdom of Saudi Arabia and Pakistan. Target’s subsidiaries in Pakistan are:

- i. Yellow Door Energy IRP Pvt Ltd: This is the local holding company of the Target in Pakistan set up for the purpose of holding shares / investing in the other two subsidiaries of the Target in Pakistan. As such, the core activity of this subsidiary is to act as a local holding company and to generally manage / carry-out the business same as that of the Target but within Pakistan only.
- ii. YDE IRP Operations (SMC-Private) Ltd: The core activity of this subsidiary is to carry out the corporate functions, business development of new projects (sales), and asset management of existing projects of Yellow Door Energy IRP (Private) Limited.
- iii. YDE SA (SMC-Private) Ltd: The core activity of this subsidiary is to design and install solar power plants as projects for commercial and industrial customers by procuring fully manufactured equipment (such as solar panels). This subsidiary essentially functions as the executing arm of Yellow Door Energy IRP (Private) Limited (and holds the local electricity generation license(s)) and enters into contracts with the end-consumers, equipment suppliers, and maintenance companies to deliver the power plants to the end consumer.

c. Following shareholders are desirous of collectively selling up to % shareholding of the Target to the Acquirer:

Adenium Distributed Solar Limited: A special investment vehicle which was specifically established for the purpose of holding shares in the Target.

Independent Power Investments: It is also a special investment vehicle which was specifically established for the purpose of holding shares in the Target.

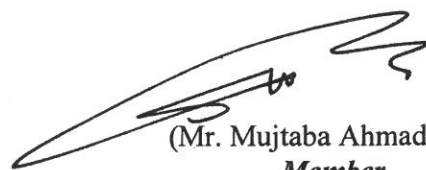


- iii. **Yellow Key 2 BV:** It is also a special investment vehicle which was specifically established for the purpose of holding shares in the Target.
 - iv. **IFC Middle East and North Africa Fund:** It is an investment fund which invests in companies in the Middle East and North African region.
 - v. **Equinor Energy Ventures Fund BV:** EEV makes fund of funds and direct investments in the renewable energy industry. It makes its investments globally with the objective of generating returns for its unit holders.
 - vi. **Waterman 40 Holding B.V.:** Waterman's area of activity includes carrying out various kind of investments and acquiring/selling shares of several enterprises.
 - vii. **Arab Petroleum Investments Corporation:** APIC participates in financing petroleum projects and industries, and in fields of activity which are derived therefrom, ancillary to, associated with, or complementary to such projects and industries.
- ii. The proposed transaction involves the acquisition of up to % shareholding of Target. The total consideration for the transaction is approximately \$! estimated to be equivalent to PKR approximately.¹
 - iii. The Relevant Product market in this case has been identified as "Sale of Solar Electricity" and the relevant geographic market is "Pakistan".
 - iv. There will be no impact of the instant acquisition on the relevant market, the Target's market share in the relevant market will also remain the same, which is currently less than %, there are also no operational overlaps as the Target and Acquirer are currently engaged in different product markets and are unrelated to each other in relation to their operations in the geographic market.
3. As per the Application, there are no ancillary restrictions involved to the transaction in the relevant market.
 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 September 16th, 2022.

¹ Transaction Value being calculated in PKR at conversion rate of Rs.214.47/\$ approximately.