

26 March 2024

CCP's Statement on Proposed PTCL-Telenor Merger



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CCP still awaiting crucial

Proposed acquisition in Telenor Pakistan

CCP still awaiting crucial info from PTCL

ISLAMABAD: Competition Commission of Telenor Pakistan and Orion information by the Pakistan the telecom industry. Telecommunication Comregarding its proposed tion on 29th February 2024, lawyers. acquisition of 100% share- initially submitted with an holding in Telenor Pakistan.

PTCL's intention to acquire the Commission on 6th

The 100% shareholding in March 2024.

The CCP

Despite a request for fur-Pakistan (CCP) is still await- Towers Private Limited is a ther information on 20th ing the submission of crucial significant development in March 2024 to complete its due diligence, the CCP is yet received to receive the required inforpany Limited (PTCL) PTCL's pre-merger applica- mation from PTCL's

The Commission has 30 incorrect fee. The outstand- working days to complete its Details revealed that the ing fee was later remitted to due diligence after all the > P 10 Col 7

> from page 1 phase review will com- mation by PTCL's lawyers. mence after PTCL lawyers the Commission.

that the CCP's merger Phase-II review is conductdepartment is processing 21 ed, lasting up to 90 days, applications at the moment. contingent upon the sub-Acquisition of Telenor by mission of comprehensive PTCL is one of those appli- documentation. cations.

service in the market.

due course.

The CCP approves merg- to the CCP's review. ers in accordance with Section 11 Competition Act, 2010, and misleading information on the Competition (Merger behalf of the CCP regards Control Under these regulations, merger application mergers that do not PTCL, the CCP has caustrengthen a dominant mar- tioned media to avoid specket position are subject to ulation and dissemination Phase-I review, typically of premature information concluded within 30 days about the merger. For accur pending the submission of rate information, they are required documentation, encouraged to contact the However, in the case of the Commission directly. proposed acquisition of SOHAIL SARFRAZ

Telenor Pakistan by PTCL, required information is sub- the process has been mitted. The 30 working delayed due to the incomdays timeframe for the first plete submission of infor-

For mergers that are likesubmit the outstanding ly to significantly reduce information requested by competition by creating or strengthening a dominant It is pertinent to mention position, a more rigorous

The thresholds set by the There were altogether CCP for mergers include five undertakings operative party size and transaction in Pakistan's mobile tele- size. For party size, if one com industry. This includ- of the merging parties' ed Jazz, Zong, Telenor assets exceeds PKR 300 Pakistan, Warid and Ufone. million or the combined Jazz acquired Warid in assets surpass PKR 1 bil-2016. PTCL has a wholly- lion, or if one party's annuowned subsidiary called al revenue exceeds PKR Ufone. The acquisition of 500 million or parties¹ Telenor by PTCL will combined revenue surpassreduce the number of com- es PKR 1 billion, the merga petitors offering telephony er falls under the CCP's scrutiny. Additionally, for The Commission has also transaction size, if the received concerns from a transaction value exceeds competitor regarding the PKR 100 million or if one intended acquisition by party acquires 10% or more PTCL. The CCP will com- voting rights in another plete its due diligence in party through share acquisi tion, the merger is subject

Referring to a number of of the newspapers publicizing Regulations), ing the progress of pre-



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CCP yet to receive information on merger in telecom sector

By Mehtab Haider

ISLAMABAD: The Competition Commission of Pakistan (CCP) is still awaiting the submission of information by the Pakistan Telecommunication five undertakings operative sition, a more rigorous Phase-Company Limited (PTCL) regarding its proposed acquisition of 100% shareholding in Telenor Pakistan.

ouire 100% shareholding in Te- has a wholly-owned sub- for mergers include party size lenor Pakistan and Orion sidiary called Ufone. The ac- and transaction size. For party Towers Private Limited is a quisition of Telenor by PTCL size, if one of the merging pardevelopment in the telecom industry. The CCP received PTCL's pre-merger application on 29th February 2024, initially submitted with an incorrect fee. The outstanding fee was later remitted to the Commission on 6th March 2024.

"Despite a request for further information on 20th March, 2024 to complete its due diligence, the CCP is yet ers in accordance with Sec- acquires 10% or more voting to receive the required information from PTCL's lawyers" the CCP stated in its statement issued on Monday.

The Commission has 30 working days to complete its due diligence after all the required information is submitted. The 30 working days timeframe for the first phase submission of required docu- media to avoid speculation review will commence after mentation. However, in the and dissemination of prema-PTCL lawyers submit the out- case of the proposed acquisi- ture information about the standing information re- tion of Telenor Pakistan by merger. For accurate informaquested by the Commission. PTCL, the process has been tion, they are encouraged to

ment is processing 21 applica- PTCL's lawyers. tions at the moment. The acis one of those applications.

Warid and Ufone. Jazz ac- prehensive documentation. PTCL's intention to ac- quired Warid in 2016. PTCL ony service in the market.

due diligence in due course.

The CCP approves merg-

that the CCP's merger depart- submission of information by

For mergers that are likely quisition of Telenor by PTCL to significantly reduce competition by creating or There were altogether strengthening a dominant poin Pakistan's mobile telecom II review is conducted, lasting industry. This included Jazz, up to 90 days, contingent Zong, Telenor Pakistan, upon the submission of com-

The thresholds set by CCP will reduce the number of ties' assets exceeds Rs300 milcompetitors offering teleph- lion or the combined assets surpass Rs1 billion, or if one The sources said that the party's annual revenue ex-Commission has also re- ceeds Rs500 million or parties' ceived concerns from a com- combined revenue surpasses petitor regarding the in- Rs1 billion, the merger falls tended acquisition by PTCL. under CCP's scrutiny. Addi-The CCP will complete its tionally, for transaction size, if the transaction value exceeds Rs100 million or if one party tion 11 of the Competition rights in another party Act, 2010, and the Competi- through share acquisition, the tion (Merger Control Regula- merger is subject to CCP's retions). Under these regula- view. Referring to a number of tions, mergers that do not newspapers publicizing misstrengthen a dominant market leading information on behalf position are subject to Phase- of CCP regarding the progress I review, typically concluded of pre-merger application of within 30 days pending the PTCL, the CCP has cautioned It is pertinent to mention delayed due to the incomplete contact Commission directly.



26 March 2024 Business Page

Rivals worried over PTCL-Telenor merger reports: CCP

By Kalbe Ali

ISLAMABAD: Firms in the telecom sector are worried that the acquisition of Telenor Pakistan by the Pakistan Telecommunication Ltd (PTCL) will harm their interests, the Competition Commission said on Monday.

In what is believed to be one of the largest deals in the country's telecom sector, the agreement will see Ufone merge with Telenor Pakistan, making the joint company a close rival of Jazz, the nation's largest telecom firm.

The CCP said in a statement that it had received the PTCL's application for permission to acquire 100 per cent shareholding of Telenor Pakistan (Pvt) and the Orion Towers Private on Feb 29.

But the money submitted with the application was less than the specified amount, the CCP said, adding that PTCL paid the remaining amount on March 6.

"In order to complete due diligence, further information was sought, but the PTCL's legal teams have yet to come up with the required information."

According to the commission, it will have 30 working days to complete due diligence for the first phase review once the PTCL submits all documents and information. The CCP said a firm had expressed concern that the proposed acquisition by PTCL would reduce the number of competitors offering telephone services. "This will further delay the due diligence process."

There are four players in the telecom sector: Jazz, Telenor, Zong and Ufone, a subsidiary of PTCL.

A previous merger in this sector took place in 2016 when Jazz (then known as Mobilink) acquired Warid.



26 March 2024 Business Page

Pre-merger application for PTCL's acquisition of Telenor under review: CCP

IMRAN ALI KUNDI ISLAMABAD

The Competition Commission of Pakistan (CCP) Monday said that the pre-merger application for PTCL's acquisition of Telenor Pakistan is still under review.

The CCP said that PTCL intends to acquire 100% shareholding of M/s. Telenor Pakistan (Private) Limited ("Telenor") and M/s. Orion Towers Private Limited ("OT"). CCP received a pre-merger application on 29th February, 2024 from PTCL lawyers. Initially, the application was submitted with incorrect fee. The remaining outstanding fee was sent to the Commission on 6th March, 2024. CCP requested further information on 20th March, 2024 in order to complete its due diligence. The requisite information is still awaited from the PTCL lawyers. The Commission has 30 working days to complete its due diligence after all the required information is submitted. The 30 working days timeframe for the first phase review will commence after PTCL lawyers submit the outstanding information requested by the Commission.

It is pertinent to mention that the CCP's merger department is processing 21 applications at the moment. Acquisition of Telenor by PTCL is one of those applications. There were altogether five undertakings operative in Pakistan's mobile telecom industry. This included Jazz, Zong, Telenor Pakistan, Warid and Ufone. Jazz acquired Warid in 2016. PTCL has a wholly-owned subsidiary called Ufone. The acquisition of Telenor by PTCL will reduce the number of competitors offering telephony service in the market.

The Commission has also received concerns from a competitor regarding the intended acquisition by PTCL. The CCP will complete its due diligence in due course. The media is urged to avoid speculation and dissemination of premature information about the merger. For accurate information, they are encouraged to contact the Commission directly.



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Competitors raise concern over telecom merger

CCP says reservations about PTCL-Telenor merger can delay due diligence

OUR CORRESPONDENT ISLAMABAD

As one of the largest merg- for the first phase review". ers in Pakistan's telecom sector is underway, the Competition Commission Ufone is a subsidiary of Pakistan (CCP) has of PTCL and after said that the decision on the acquisition of acquisition of Telenor Pakistan by Pakistan Telecommunication Company Limited (PTCL) merged to become could be delayed as competitors have expressed concern over the plan.

In a statement, the CCP said that a pre-merger ceived concerns from a comapplication about PTCL's petitor about the intended multinational telecomintention to acquire 100% acquisition of Telenor by munication services comshareholding of Telenor PTCL, claiming that the pany, was directed by the Pakistan and Orion Towers move would reduce the CCP that shareholders was received on February number of competitors of- of Telenor International 29, 2024.

tion was submitted with the due diligence process. an incorrect fee and the remaining fee was sent to are working in the tele- collusive decision-making formation was sought but sidiary of PTCL and after Pakistan's telecom sector.

information.

CCP pointed out that as large as Jazz. "after all the relevant documents and information is merger department is proreceived, the commission cessing 21 applications, has 30 working days to which also include the accomplete its due diligence; quisition of Telenor:

Telenor, both Ufone and Telenor will be as large as Jazz

Meanwhile, the CCP refering telephony services would not attend Jazz-However, the applica- and it would further delay related agenda items in

PTCL's legal teams had yet the acquisition of Telenor, to submit the required both Ufone and Telenor will be merged to become

Currently, the CCP's

Other major merger in the telecom sector occurred in 2016 when Jazz acquired Warid. At that time, the CCP conducted a phase-II review, which included shareholdings in parent companies of Jazz.

Incidentally, during the phase-II review, CCP teams discovered that Telenor International had shareholding in Veon Limited, the parent company of Jazz.

Veon, a Dutch-domiciled Veon board meetings, to At present, four players ensure that there was no the commission on March com industry, led by Jazz between Telenor and Jazz's 6. 2024. Later, to complete and include Telenor, Zong parent company that could due diligence, further in- and Ufone. Ufone is a sub- impact competition in

PAKISTAN TODAY

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PTCL-TELENOR MERGER DECISION MAY FACE DELAYS DUE TO CONCERNED COMPETITORS

APPLICATION SENT TO CCP WAS ALSO INCORRECT, DELAYING APPROVAL PROCESS: CLARIFIES CCP

PROFIT STAFF REPORT

S one of the largest mergers of Pakistan's telecom sector is underway the decision regarding PTCL's acquisition of Telenor Pakistan could be delayed as the competitors have lodged their concerns too. In response to Profit's earlier report, CCP through a statement said that the pre-merger application regarding PTCL's acquisition of 100 percent shareholding of Telenor Pakistan (Private) Limited and Orion Towers Private

Limited was received on February 29, 2024 from the PTCL.

However, the application was submitted with an incorrect fee and the remaining outstanding fee was sent to the Commission on March 6, 2024, later to complete due diligence further information was asked but the PTCL legal teams have yet to submit the required information.

The CCP has said that after all the relevant documents and information is received the Commission has 30 working days to complete its due diligence, for the first phase review.

Meanwhile, the CCP has also received concerns

from a competitor regarding the intended acquisition by PTCL, claiming that the acquisition of Telenor by PTCL will reduce the number of competitors offering telephony service in the Pakistani market, and this will further delay the due diligence process.

There are four players currently in the telecom sector led by Jazz, Telenor, Zong and Ufone, while Ufone is the subsidiary of the PTCL, after the intended acquisition of Telenor Pakistan, both Ufone and Telenor will be merged to become equally as large as Jazz.

Currently, the merger department of the CCP is processing 21 applications, which includes the acquisition of Telenor by PTCL.

The other major merger in this sector occurred in 2016 when Jazz acquired Warid and the CCP conducted a Phase II review, which included the shareholdings in the parent companies of Jazz.

The rontier Post

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CCP begins review of pre-merger application

F.P. Report

PTCL **ISLAMABAD:** intends to acquire 100% days timeframe for the first service in the market. shareholding of Limited (Telenor) and M/s. submit the outstanding from a competitor regard-Orion Towers Limited (OT).

CCP received a pre-February, 2024 from PTCL Lawyers. Initially, the application was submitted remaining outstanding fee was sent to the Commission on 6th March, 2024. CCP requested further informaorder to complete its due Jazz, from the PTCL lawyers.

M/s. phase review will com-Private information requested by the Commission.

merger application on 29th that the CCP's merger department is processing 21 applications at the moment. Acquisition of Telenor by with incorrect fee. The PTCL is one of those applications.

five undertakings operative in Pakistan's mobile tele- PTCL. The media is urged. tion on 20th March, 2024 in com industry. This included to avoid speculation and Zong, diligence. The requisite Pakistan, Warid and Ufone. information about the information is still awaited Jazz acquired Warid in merger. For accurate infor-The Commission has 30 owned subsidiary called aged working days to complete Ufone. The acquisition of Commission directly.

its due diligence after all Telenor by PTCL will the required information is reduce the number of comsubmitted. The 30 working petitors offering telephony

The Commission has Telenor Pakistan (Private) mence after PTCL lawyers also received concerns ing the intended acquisition by PTCL. The CCP will It is pertinent to mention complete its due diligence in due course.

A number of newspapers have publicized a misleading information on behalf. of Competition Commission of Pakistan (CCP) There were altogether regarding the progress of pre-merger application of Telenor dissemination of premature 2016. PTCL has a wholly- mation, they are encourto contact the



26 March 2024 Online

Application for PTCL's Acquisition of Telenor Still Under Review: CCP



The Competition Commission of Pakistan (CCP) Monday said that the premerger application for PTCL's acquisition of Telenor Pakistan is still under review.

In a detailed clarification, CCP said that PTCL intends to acquire 100 percent shareholding of Telenor Pakistan (Private) Limited and Orion Towers Private Limited.

CCP said it received a pre-merger application on February 29, 2024, from PTCL lawyers. Initially, the application was submitted with an incorrect fee. The remaining outstanding fee was sent to the Commission on March 6, 2024.

CCP requested further information on March 20, 2024, in order to complete its due diligence. The requisite information is still awaited from the PTCL lawyers.

The Commission has 30 working days to complete its due diligence after all the required information is submitted. The 30 working days timeframe for the first

phase review will commence after PTCL lawyers submit the outstanding information requested by the Commission.

It is pertinent to mention that the CCP's merger department is processing 21 applications at the moment. Acquisition of Telenor by PTCL is one of those applications.

There were altogether five undertakings operative in Pakistan's mobile telecom industry. This included Jazz, Zong, Telenor Pakistan, Warid, and Ufone. Jazz acquired Warid in 2016. PTCL has a wholly-owned subsidiary called Ufone. The acquisition of Telenor by PTCL will reduce the number of competitors offering telephony services in the market.

The Commission has also received concerns from a competitor regarding the intended acquisition by PTCL. The CCP will complete its due diligence in due course.

CCP also urged the media to avoid speculation and dissemination of premature information about the merger.

Mettisglobal.news

26 March 2024 Online

PTCL's acquisition of Telenor to impact telecom competition: CCP



PTCL's acquisition of Telenor to impact telecom competition: CCP

March 26, 2024 (MLN): Pakistan Telecommunication Company Ltd's (PSX: PTC) acquisition of Telenor will reduce the number of competitors offering telephony service in the market, but Competition Commission of Pakistan (CCP) has urged the media to avoid speculation and seek accurate information directly from the Commission.

The Commission has also received concerns from a competitor regarding the intended acquisition by PTCL. The CCP will complete its due diligence in due course.

A number of newspapers have publicized misleading information on behalf of CCP regarding the progress of the pre-merger application of PTCL.

PTCL intends to acquire 100% shareholding of Telenor Pakistan (Private) Limited and Orion Towers Private Limited.

CCP received a pre-merger application on February 29, 2024 from PTCL Lawyers.

Initially, the application was submitted with incorrect fee. The remaining outstanding fee was sent to the Commission on March 06, 2024.

CCP requested further information on March 20, 2024 in order to complete its due diligence.

The requisite information is still awaited from the PTCL lawyers.

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There were altogether five undertakings operative in Pakistan's mobile telecom industry. This included Jazz, Zong, Telenor Pakistan, Warid and Ufone. Jazz acquired Warid in 2016.

Newz Today

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PTCL's Acquisition of Telenor May Suffer Delay Due to Competitors' Concerns

March 26, 2024<u>Tech</u>

By Newztodays Team

PTCL's acquisition of Telenor Pakistan may suffer a delay as the Competition Commission of Pakistan (CCP) has received concerns from the competitors.

Competitors are worried about Telenor Pakistan being bought by PTCL, according to the Competition Commission of Pakistan (CCP) on Monday.

It's a big deal in Pakistan's telecom world because it means PTCL will join forces with Telenor, which will make them nearly as big as Jazz, the country's largest telecom company.

PTCL applied to buy 100 percent of Telenor Pakistan's shares back on February 29, 2024, but they didn't pay the right fee at first. <u>PTCL's loss</u> jumped to Rs. 14 billion in 2023

They fixed that on March 6, 2024. The CCP needs more info from PTCL's legal team to finish checking everything out.

Once they have all the documents, they'll take about 30 days to make sure everything is okay.

Another company's concerned too. They think <u>PTCL</u> buying Telenor will leave fewer competitors in Pakistan's telecom market and slow down the whole process.

Right now, the CCP is busy with 21 applications, including PTCL's purchase of Telenor. This kind of big merger has happened before, like when Jazz (which used to be Mobilink) bought Warid in 2016.

During that time, the CCP found out that Telenor International owned part of VimpelCom, Mobilink's parent company.

They worried this could give too much power to the merged companies, so they told VimpelCom to be careful not to do anything that would harm competition in Pakistan's telecom world.