

Media Coverage

26 March 2024

CCP's Statement on Proposed PTCL-Telenor Merger

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Proposed acquisition in Telenor Pakistan

CCP still awaiting crucial info from PTCL

ISLAMABAD: The Competition Commission of Pakistan (CCP) is still awaiting the submission of crucial information by the Pakistan Telecommunication Company Limited (PTCL) regarding its proposed acquisition of 100% shareholding in Telenor Pakistan. Details revealed that the PTCL's intention to acquire 100% shareholding in Telenor Pakistan and Orion Towers Private Limited is a significant development 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 to receive the required information from PTCL's lawyers. The Commission has 30 working days to complete its due diligence after all the

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CCP still awaiting crucial

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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 CCP approves mergers in accordance with Section 11 of the Competition Act, 2010, and the Competition (Merger Control Regulations). Under these regulations, mergers that do not strengthen a dominant market position are subject to Phase-I review, typically concluded within 30 days pending the submission of required documentation. However, in the case of the proposed acquisition of

Telenor Pakistan by PTCL, the process has been delayed due to the incomplete submission of information by PTCL's lawyers.

For mergers that are likely to significantly reduce competition by creating or strengthening a dominant position, a more rigorous Phase-II review is conducted, lasting up to 90 days, contingent upon the submission of comprehensive documentation.

The thresholds set by the CCP for mergers include party size and transaction size. For party size, if one of the merging parties' assets exceeds PKR 300 million or the combined assets surpass PKR 1 billion, or if one party's annual revenue exceeds PKR 500 million or parties' combined revenue surpasses PKR 1 billion, the merger falls under the CCP's scrutiny. Additionally, for transaction size, if the transaction value exceeds PKR 100 million or if one party acquires 10% or more voting rights in another party through share acquisition, the merger is subject to the CCP's review.

Referring to a number of newspapers publicizing misleading information on behalf of the CCP regarding the progress of pre-merger application of PTCL, the CCP has cautioned media to avoid speculation and dissemination of premature information about the merger. For accurate information, they are encouraged to contact the Commission directly.

SOHAIL SARFRAZ

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 Company Limited (PTCL) regarding its proposed acquisition of 100% shareholding in Telenor Pakistan.

PTCL's intention to acquire 100% shareholding in Telenor Pakistan and Orion Towers Private Limited is a development 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 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 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. The 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 sources said that 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 CCP approves mergers in accordance with Section 11 of the Competition Act, 2010, and the Competition (Merger Control Regulations). Under these regulations, mergers that do not strengthen a dominant market position are subject to Phase-I review, typically concluded within 30 days pending the submission of required documentation. However, in the case of the proposed acquisition of Telenor Pakistan by PTCL, the process has been delayed due to the incomplete

submission of information by PTCL's lawyers.

For mergers that are likely to significantly reduce competition by creating or strengthening a dominant position, a more rigorous Phase-II review is conducted, lasting up to 90 days, contingent upon the submission of comprehensive documentation.

The thresholds set by CCP for mergers include party size and transaction size. For party size, if one of the merging parties' assets exceeds Rs300 million or the combined assets surpass Rs1 billion, or if one party's annual revenue exceeds Rs500 million or parties' combined revenue surpasses Rs1 billion, the merger falls under CCP's scrutiny. Additionally, for transaction size, if the transaction value exceeds Rs100 million or if one party acquires 10% or more voting rights in another party through share acquisition, the merger is subject to CCP's review. Referring to a number of newspapers publicizing misleading information on behalf of CCP regarding the progress of pre-merger application of PTCL, the CCP has cautioned media to avoid speculation and dissemination of premature information about the merger. For accurate information, they are encouraged to contact Commission directly.

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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.

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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.

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 mergers in Pakistan's telecom sector is underway, the Competition Commission of Pakistan (CCP) has said that the decision on acquisition of Telenor Pakistan by Pakistan Telecommunication Company Limited (PTCL) could be delayed as competitors have expressed concern over the plan.

In a statement, the CCP said that a pre-merger application about PTCL's intention to acquire 100% shareholding of Telenor Pakistan and Orion Towers was received on February 29, 2024.

However, the application was submitted with an incorrect fee and the remaining fee was sent to the commission on March 6, 2024. Later, to complete due diligence, further information was sought but

PTCL's legal teams had yet to submit the required information.

CCP pointed out 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".

Ufone is a subsidiary of PTCL and after the acquisition of Telenor, both Ufone and Telenor will be merged to become as large as Jazz

Meanwhile, the CCP received concerns from a competitor about the intended acquisition of Telenor by PTCL, claiming that the move would reduce the number of competitors offering telephony services and it would further delay the due diligence process.

At present, four players are working in the telecom industry, led by Jazz and include Telenor, Zong and Ufone. Ufone is a subsidiary of PTCL and after

the acquisition of Telenor, both Ufone and Telenor will be merged to become as large as Jazz.

Currently, the CCP's merger department is processing 21 applications, which also include the acquisition of Telenor.

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 multinational telecommunication services company, was directed by the CCP that shareholders of Telenor International would not attend Jazz-related agenda items in Veon board meetings, to ensure that there was no collusive decision-making between Telenor and Jazz's parent company that could impact competition in Pakistan's telecom sector.

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

AS 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.

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PTCL-Telenor: CCP begins review of pre-merger application

F.P. Report

ISLAMABAD: 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.

A number of newspapers have publicized a misleading information on behalf of Competition Commission of Pakistan (CCP) regarding the progress of pre-merger application of PTCL. 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.



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 pre-merger 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.

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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.

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.

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

March 26, 2024 [Tech](#)

By Newztoday's 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. PTCL's loss 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 PTCL 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.