



F. No: 921/Merger/CCP/2017
COMPETITION COMMISSION OF PAKISTAN
GOVERNMENT OF PAKISTAN

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December 28, 2017

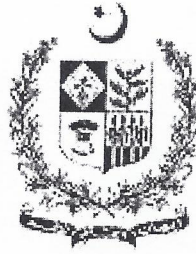
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SUBJECT: PRE-MERGER APPLICATION U/S 11 OF THE COMPETITION ACT, 2010 – MERGER OF ACQUISITION OF 25.42% SHARES IN M/S ASIA INSURANCE COMPANY LIMITED BY M/S INSURESILIENCE INVESTMENT FUND SICAV-RAIF

Dear Sir,

I have been directed to send to you the enclosed certified copy of the order dated December 27, 2017 passed by the Competition Commission of Pakistan,

Adnan Saeed Malik
Registrar



**BEFORE THE
COMPETITION COMMISSION OF PAKISTAN**

FIRST PHASE REVIEW

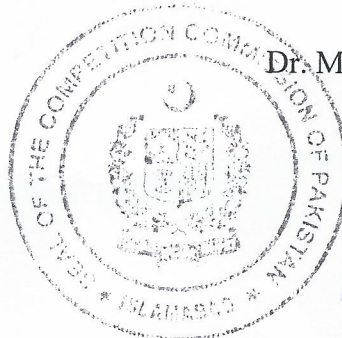
**IN THE MATTER OF MERGER OF ACQUISITION OF 25.42% SHARES IN M/S. ASIA
INSURANCE COMPANY LIMITED BY M/S. INSURESILIENCE INVESMENT FUND,
SICAV-RAIF**

CASE: 921/Merger-CCP/17

Commission

Ms. Vadiyya Khalil
Chairperson

Dr. Muhammad Saleem
Member



Attested To Be True Copy

Adnan Saeed Malik
Registrar
Competition Commission of Pakistan
Government of Pakistan

I. BACKGROUND

1. The Competition Commission of Pakistan ("**Commission**") is in receipt of a pre-merger application ("**Application**") sent by M/s. InsuResilience Investment Fund, SICAV-RAIF ("**InsuResilience**" or "**Acquirer**") notifying the Commission of its acquisition of 25.42% shares in M/s. Asia Insurance Company Limited ("**ASIC**" or "**Target**") pursuant to a Share Purchase Agreement ("**Agreement**").

II. PARTIES

Acquirer:

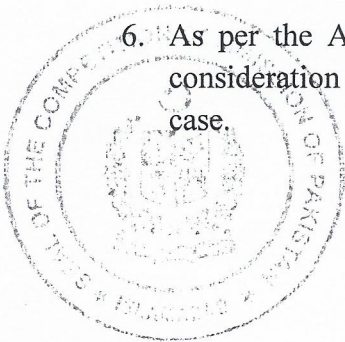
2. InsuResilience is an investment company with variable capital, incorporated in December 2013 under the laws of Luxembourg as a limited liability company. Its registered office is located at Luxembourg, Grand Duchy of Luxembourg.
3. The Acquirer does not currently have any existing activities in Pakistan, therefore its turnover and assets are nil. The Acquirers holding company earned an income of USD 1.92 million (approximately PKR 2.04 billion) in the financial year ended December 31st 2016, while its assets were USD 68.74 million (approximately PKR 7.27 billion) for the same period.

Target:

4. ASIC is a general insurance company established in 1979 as a public limited company under the laws of Pakistan. It is listed on the Pakistan Stock Exchange. It is engaged in the business of providing non-life insurance, comprising of fire, marine, motor, bond and surety ship, agriculture and allied and miscellaneous insurance services.
5. It generated a net premium revenue of PKR 420 million in the financial year ended December 31st 2016, whereas its assets stood at PKR 1.054 billion for the same period.

III. TRANSACTION

6. As per the Application, InsuResilience intends to acquire 25.42% shares in ASIC. The consideration for this acquisition is PKR 350 million, which is the transaction value in this case.



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Registrar
Competition Commission of Pakistan
Government of Pakistan
Islamabad

7. The transaction meets the thresholds prescribed in Regulation 4 (2) (a), (c) and (d) of the Merger Regulations as the value of gross assets of the undertaking, excluding value of goodwill, is greater than three hundred million Rupees, the transaction value is greater than one hundred million Rupees and the transaction relates to the acquisition of shares greater than 10%.

IV. THE RELEVANT MARKET

8. As the Target in this acquisition is engaged in the business of providing non-life insurance, the relevant product market in this case has been identified as that of the provision of non-life insurance, which comprises of fire, marine, motor, bond and surety ship, agriculture and allied and miscellaneous insurance services.
9. Since the above mentioned services are provided across the country, where the conditions of competition are sufficiently homogenous, the relevant geographic market is Pakistan.
10. The Acquirers share of the relevant market is nil, while the Targets share of the relevant market, in terms of net premium revenue, is 1.3%, which will remain unchanged post-transaction.

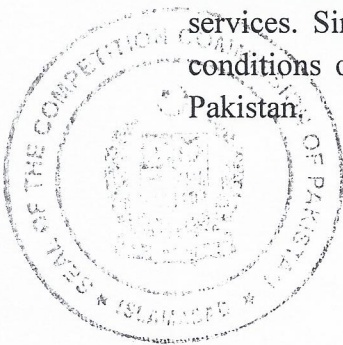
V. FINDINGS OF THE PHASE 1 INVESTIGATION ON COMPETITION ASSESSMENT

11. The Acquirer is an investment company headquartered in Luxembourg, and is not active in Pakistan. The Target is a company established under the laws of Pakistan, and is engaged in provision of non-life insurance, which includes fire, marine, motor, bond and surety ship, agriculture and allied and miscellaneous insurance services.
12. As per the Application, InsuResilience intends to acquire 25.42% shares in ASIC. The consideration for this purchase is PKR 350 million, which is the transaction value in this case.
13. As the Target in this case is engaged in the provision of non-life insurance, the relevant product market in this case is that of the provision of non-life insurance services including fire, marine, motor, bond and surety ship, agriculture and allied and miscellaneous insurance services. Since the above mentioned services are provided across the country, where the conditions of competition are sufficiently homogenous, the relevant geographic market is Pakistan.

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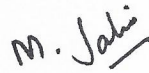


14. The Acquirers share of the relevant market is nil, while the Targets share of the relevant market, in terms of net premium revenue, is 1.3%, which will remain unchanged post transaction.
15. In view of the above, the intended merger does not meet the presumption of dominance defined under Section 2 (1) (e) of the Competition Act, 2010 ("Act"), read with Section 3 and 11 (5) of the Act.

VI. CONCLUSION

16. In conclusion, there is no evidence to suggest a substantial lessening of competition by creating or strengthening a dominant position in the relevant market. The proposed transaction is hereby authorized under Section 31 (1) (d) (i) of the Act.
17. It is so ordered.

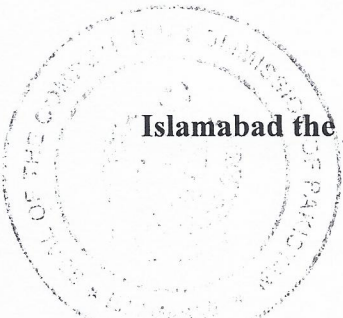

(Vadiyya S. Khalil)
Chairperson


(Dr. Muhammad Saleem)
Member

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27-12-2017

Adnan Saeed Malik
Registrar
Competition Commission of Pakistan
Government of Pakistan
Islamabad


Islamabad the 27th December, 2017