

22 January 2024

## **CCC Merger Inquiry Notice No. 3 of 2024**

### **Notice of Inquiry into the Proposed Merger Involving Public Investment Fund and Alkhorayef Petroleum Company**

It is hereby notified in terms of Article 26(6) of the COMESA Competition Regulations (the “**Regulations**”) that the COMESA Competition Commission (the “**Commission**”), after receiving a notification in terms of Article 24 of the Regulations regarding the proposed merger involving Public Investment Fund (“**PIF**” or the “**Acquiring Undertaking**”) and Alkhorayef Petroleum Company (“**APC**” together with its controlled affiliates, the “**Target Undertaking**”), intends to embark on an inquiry in terms of Article 26 of the Regulations.

The proposed transaction entails the acquisition of joint control by PIF over APC, a subsidiary of the Alkhorayef Group Company (“**AGC**”, together with its controlled affiliates but excluding the Target Undertaking, the “**Seller Group**”)

The parties have submitted that PIF was established in 1971 and is regulated by the Law of the Public Investment Fund established by Royal Decree No. M/24 and having its registered office at the Public Investment Fund Tower, King Abdullah Financial District, 6789 Al Aqiq district, Riyadh 13519, the Kingdom of Saudi Arabia (the “**Kingdom**”). PIF is a sovereign wealth fund with direct and indirect investments in a number of sectors. Within the Common Market, PIF has operations in Egypt, Kenya, Libya, Malawi, Mauritius, Tunisia, Zambia and Zimbabwe.

The parties submitted that APC is a closed joint stock company incorporated in the Kingdom with its registered address at Unit 2, Building No.7136, Dammam, the Kingdom. APC is currently wholly owned by AGC, a closed joint stock company incorporated in the Kingdom with its registered address at 3429 Makkah Al Mukarramah, Al Mutamarat District, Riyadh 12711-8146, the Kingdom. APC has three core business segments covering: (i) electric submersible pumps equipment, (ii) early production facilities projects, and (iii) wireline services. APC has activities worldwide, but is primarily active in the Middle East, North Africa and South America. Within the Common Market, APC has operations in Egypt, Libya and Sudan.

The parties submitted that as part of its mandate and strategy, PIF invests in promising Saudi businesses which have the potential to further grow not only domestically in the Kingdom of Saudi Arabia but also in the Middle East and North Africa region and globally. With that strategy in mind, PIF believes that it should be able to meaningfully

contribute to the successful and timely execution of the local and international growth strategy of the Target Undertaking.

The Commission will, in accordance with the provisions of the Regulations, determine, among other things, whether the proposed transaction is likely to substantially prevent or lessen competition within the Common Market and whether the proposed transaction is or would be contrary to the public interest as provided for under Article 26 of the Regulations.

In view of this, the Commission hereby gives notice to all interested stakeholders, including competitors, suppliers and customers of the parties to the proposed transaction to submit written representations to the Commission with regard to the subject matter of the proposed inquiry by emailing them to: [akamanga@comesacompetition.org](mailto:akamanga@comesacompetition.org). All written representations should be sent to the Commission not later than **12 February 2024**.

If you wish to seek further details and/or clarifications on any aspect of this proposed transaction or need assistance you may get in touch with **Mr. Ali Kamanga, Principal Analyst, Competition Division** on Tel: +265 (0) 1 772 466 or [akamanga@comesacompetition.org](mailto:akamanga@comesacompetition.org).

All written representations submitted to the Commission will be treated with the strictest confidentiality and will only be used for the purpose of this inquiry.