



NUETEL COMMUNICATIONS S.P.C (transfer of shares)

A decision issued by the Telecommunications Regulatory Authority under the
Telecommunications Merger and Acquisitions Regulation No. 3 of 2004

Decision No. 1 of 2021

LAD/0121/013

I. Background

- 1.1 On 3 November 2020, the Telecommunications Regulatory Authority (the “**Authority**”) received a notification from Nuetel Communications S.P.C of a proposed transaction pursuant to Article 2 of the Telecommunications Mergers and Acquisitions Regulation (the “**Regulation**”).
- 1.2 Nuetel Communications S.P.C, is a telecommunications company registered in the Kingdom of Bahrain bearing commercial registration number 52367-1 and licensed by the Authority (“**Nuetel**”). Nuetel is currently owned 100% by Osis B.S.C (c). Osis B.S.C (c) is, in turn, currently owned by the following shareholders:

Shareholder	Percentage of Shares
Saud Kanoo Co. W.L.L	37.5%
Jameel Al Matrook Co. W.L.L	6.25%
Faisal Al Matrook Co. W.L.L	10%
AMSAF Investment Co. W.L.L	10%
Mohamed Hasan Dawni & Sons B.S.C (c)	6.67%
Adala Holding Company W.L.L	6.67%
Esan Investment B.S.C (c)	6.25%
National Property Investments Co. W.L.L	5%
Mr. Mohamed Jassim Abdulrahman Alzayani	5%
Mr. Abdulhammed Mohamed Dawni	3.33%
Diramo Holdings Company	3.33%

- 1.3 Under the proposed transaction, the following will occur:

- An increase in the share capital from BHD 200,000 to BHD 560,000.
- The transfer of all the shares in Nuetel held by Osis B.S.C (c) to the individual shareholders of the same as per the table below with one exception – namely the shares in Osis B.S.C (c) currently held by Saud Kanoo Co. W.L.L and Jameel Al Matrook Co. W.L.L (equating to 43.75%) will be transferred to Meritas Holding Co. W.L.L with the same level of shareholding (43.75%). Therefore, post transaction Nuetel will be owned by the shareholders listed in the below table:

Shareholder	Post-transaction shareholding in Nuetel
Meritas Holding Co. W.L.L	43.75 %
Faisal Al Matrook Co. W.L.L	10%
AMSAF Investment Co	10%

Mohamed Hasan Dawni & Sons B.S.C (c)	6.67%
Adala Holding Company W.L.L	6.67%
ESAN Investment B.S.C (c)	6.25%
National Property Investments Co. W.L.L	5%
Mr. Mohamed Jasim Abdulrahman Alzayani	5%
Diramo Holdings Company W.L.L	3.33%
Mr. Abdulhammed Mohamed Dawni	3.33%

- c) Change the legal status of Nuetel from Single Person Company (S.P.C) to Bahrain Shareholding Company (B.S.C).

II. Bahrain Telecommunications Industry

- 2.1 The proposed transaction involves a market affecting the telecommunications industry in the Kingdom of Bahrain.

III. The Transaction

- 3.1 The Authority considers that, as a result of the proposed transaction, there will be a change in control on a lasting basis in Nuetel. Therefore, the Authority considers that the proposed transaction is a Qualifying Transaction for the purposes of Article 1.2 of the Regulation.

IV. Competitive Assessment

- 4.1 On the basis of:

- a) The information made available by the parties to the Authority;
- b) The Authority inviting comments with respect to the transaction in the prior notification on the transaction published on 24 December 2020; and
- c) The comments received from third parties,

the Authority does not believe that the qualifying transaction has or is likely to have the effect of substantially lessening competition in the telecommunications industry in the Kingdom of Bahrain.

V. Conclusion

- 5.1 The Authority has determined pursuant to Article 3.2(b) of the Regulation that the proposed transaction does not raise serious doubts as to compatibility with the Regulation.
- 5.2 This decision shall be published in accordance with the provisions of the Regulation, and a copy of the same shall be served on the parties and the Ministry of Industry and Commerce.



Nasser bin Mohamed Al-Khalifa
Acting General Director

19 January 2021