

DECISION

**TRA case reference no. 2/06 – Nooraddin/ Etisalcom
Bahrain W.L.L./ Janahi Brothers**

TRA case reference no. 2/06 – Nooraddin/ Etisalcom Bahrain W.L.L./ Janahi Brothers

A Decision issued by the Telecommunications
Regulatory Authority under the
Telecommunications Mergers and Acquisitions
Regulation, Regulation 3 of 2004

8 May 2006

Decision

Article 3.2(b) NON-OPPOSITION



هيئة
تنظيم
الاتصالات
Telecommunications
Regulatory
Authority

DECISION

TRA case reference no. 2/06 – Nooraddin/ Etisalcom Bahrain W.L.L./ Janahi Brothers

On 13 April 2006, the Telecommunications Regulatory Authority (the “TRA”) received a notification of a proposed transaction pursuant to Article 2 of the Telecommunications Mergers and Acquisitions Regulation¹ (the “Regulation”). Under the proposed transaction, Etisalcom Bahrain W.L.L. proposes to transfer shares to Mr. N.A. Nooraddin, and to proceed with a capital increase, half the shares of which will be offered to new partners.

After examination of the notification, the Authority has concluded that the notified transaction does not raise serious doubts as to its compatibility with the Regulation.

I. The Parties

The parties to the transaction are involved in the following activities:

- Etisalcom Bahrain W.L.L.: *Telecommunications and value-added services*
- N.A. Nooraddin: *Investments*
- Janahi Brothers: *Import and export*
- Other minority shareholders: *Not applicable*

The parties to the transaction hold the following telecommunications licenses:

- Etisalcom Bahrain W.L.L.: *ISL, VAS, ISP*
- N.A. Nooraddin: *None*
- Janahi Brothers: *None*
- Other minority shareholders: *Not applicable*

II. Bahrain Telecommunications Industry

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

III. The Transaction

Etisalcom Bahrain Company W.L.L.’s (“Etisalcom’s”) share capital prior to the transaction was distributed in the following way:

- Etisalcom Holding Company W.L.L. held 399 of the 400 shares and Raed Tawfiq Saad Al Zawaydeh (“Zawaydeh”) held one share.

Under the proposed transaction, Etisalcom Holding transfers 199 shares and Zawaydeh transfers one share to Mr. Nooradin Adullah Nooradin

¹ Regulation 3 of 2004, issued by the Telecommunications Regulatory Authority.

DECISION

TRA case reference no. 2/06 – Nooraddin/ Etisalcom Bahrain W.L.L./ Janahi Brothers

(“Nooradin”). At the same time, the transaction involves the increase of the Capital of the Company from 20,000 BD to 500,000 BD, effected by the issuance of Nine Thousand Six Hundred (9,600) new shares, to be distributed in the following way:

- 4,800 shares allotted for Etisalcom Holding and Nooradin; and
- 4,800 new shares offered to new partners.

The transaction’s objective is to increase the share capital with the participation of private investors to the target amount of BD 500,000.

IV. Competitive Assessment

After examination of the notification, the Authority has concluded that the transaction is not likely to affect the telecommunications market in Bahrain. The TRA has considered, *inter alia*, that the majority shareholders do not have any interests in the telecommunications industry other than their share in Etisalcom; and that the management of Etisalcom has not significantly been affected as a result of the transaction insofar as operational and strategic decisions are concerned. While the Board of Directors, on which the majority shareholders are present, considers new business opportunities and business plans for the Company, they have no influence on the day-to-day operations of the Company.

V. Conclusion

Accordingly, the Authority has decided not to oppose the notified transaction and to declare it compatible with the Regulation. This decision is reached pursuant to Article 3.2(b) of the Telecommunications Mergers and Acquisitions Regulation.

This decision shall be published in accordance with the provisions of the Telecommunications Mergers and Acquisitions Regulation of 2004, and a copy of the same shall be served on the Parties and the Ministry of Industry and Commerce.

For the Telecommunications Regulatory Authority

A. Andreas Avgousti

General Director

8 May 2006