



هيئة تنظيم الاتصالات
Telecommunications Regulatory Authority

M&A Case No. 1 of 2009
Etisalcom Bahrain W.L.L
Amendments to Shareholding

A Decision issued by the Telecommunications Regulatory Authority under the Telecommunications Mergers and Acquisitions Regulation, Regulation No. 3 of 2004

31 March 2009

Decision: Article 3.2(b) NON-OPPOSITION

DECISION

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Background

1. The Telecommunications Regulatory Authority (“**TRA**”) received a notification of a proposed transaction pursuant to Article 2 of the Telecommunications Mergers and Acquisitions Regulation¹ (the “**Regulation**”).
2. Etisalcom Bahrain W.L.L., a telecommunications company in the Kingdom of Bahrain registered under commercial registration number 56052 and licensed by the TRA (“**Etisalcom**”), is currently owned by the following shareholders:

Shareholder	Percentage of Shares in Etisalcom (%)
Abdulrahman Mohammed Saif Jamsheer	10.69
Nooruddin Abdulla Nooruddin	40.694
Janahi Bros Company W.L.L.	12
Mohammed Abdulla Norruddin	5.678
Essam Abdulla Nooruddin	2.56
Yousif Ali Al Hussaini	0.05
Nabeel Nooruddin Abdulla Nooruddin	3.462
Faeqa Mohammed Bastaki	2.22
Raed Mahmood Al Mardi	2
Rashid Malalla A.Rahman Al Sabt	0.6
Mohammed Abdulla Turki Al Mahmood	1.6
Ali Yaqoob dadalla Ali Alshehabi	0.06
Nahid Ishaq Abdulrahman Ishaq	2.128
Waleed Mohammed Sharif Al Rayes	0.3
Magdi Habib Hana Abooda	0.2
Hamad Mohammed Fakhroo	2.4
Adel Aldowsari	4.154
Jassim Moh'd Saif Jamsheer	4

¹ Regulation No. 3 of 2004

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Inherits of Abdulaziz Moh'd Saif Jamsheer	2.54
Hassan Ali Alnisuf	2.664

3. Under the proposed transaction, the following has occurred:
 - (a) Mr. Abdulrahman Mohammed Saif Jamsheer distributed shares of his ownership in Etisalcom to Mr. Hamad Fakhroo and Mr. Adel Aldowsari who are existing shareholders in Etisalcom;
 - (b) Mr. Nooruddin Abdulla Nooruddin relinquished all of his ownership of 40.694% to Mr. Samir Abdulla Nooruddin (CPR No. 520108957), a new shareholder in Etisalcom;
 - (c) Mr. Mohammed Abdulla Nooruddin relinquished his ownership of 5.678% to Mr. Samir Abdulla Nooruddin; and
 - (d) Mr. Essam Abdulla Noorudin relinquished his ownership of 2.56% to Mr. Samir Abdulla Nooruddin.
4. The proposed transaction therefore results in relinquishment of shares owned by Mr. Nooruddin Abdulla Nooruddin, Mohammed Abdulla Nooruddin and Essam Abdulla Nooruddin.
5. This Transaction will result in a change of Etisalcom's distribution of shares.
6. The following table represents the shareholders that will be affected by the transaction and their shareholding in Etisalcom following the transaction :

Affected Shareholder	Post Transaction Shareholding Percentage in Etisalcom
Abdulrahman Moh'd Saif Jamsheer	7.4
Hamad Mohammed Fakhroo	3.2
Nooruddin Abdulla Nooruddin	0
Samir Abdulla Nooruddin	48.6
Mohammed Abdulla Nooruddin	0
Essam Abdulla Nooruddin	0
Adel Aldowsari	6.6

7. As a result of the proposed transaction, the shareholding in Etisalcom will be as follows:

Shareholder	Post-transaction shareholding in Etisalcom
Abulrahman Mohammed Saif Jamsheer	7.4

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Nooruddin Abdulla Nooruddin	0
Samir Abdullah Nooruddin	48.6
Jassim Moh'd Saif Jamsheer	4
Inherits of Abdulaziz Moh'd Saif Jamsheer	2.6
Hassan Ali Alnisuf	2.6
Janahi Bros Company W.L.L.	12
Mohammed Abdulla Norruddin	0
Essam Abdulla Nooruddin	0
Yousif Ali Al Hussaini	0.2
Nabeel Nooruddin Abdulla Nooruddin	3.4
Faeqa Mohammed Bastaki	2.2
Raed Mahmood Al Mardi	2
Rashid Malalla A.Rahman Al Sabat	0.6
Mohammed Abdulla Turki Al Mahmood	1.6
Ali Yaqoob dadalla Ali Alshehabi	0.2
Nahid Ishaq Abdulrahman Ishaq	2.2
Waleed Mohammed Sharif Al Rayes	0.4
Magdi Habib Hana Abooda	0.2
Hamad Mohammed Fakhroo	3.2
Adel Aldowsari	6.6

The Parties

8. The parties are involved in the following activities:
- Etisalcom: *Licensed telecommunications operator;*
 - Abdulrahman Mohammed Jamsheer: *Shareholder and Deputy Chairman of Etisalcom;*
 - Samir Abdulla Nooruddin: *Shareholder and Managing Director of Etisalcom;*
 - Mohammed Abdulla Nooruddin: *Member of Etisalcom's Board of Directors;*
 - Hamad Mohammed Fakhroo: *Shareholder in Etisalcom;*

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(f) Adel Aldowsari: *Shareholder in Etisalcom.*

9. The parties hold the following telecommunications licenses:

- (a) Etisalcom: Individual International Telecommunications Services Licence, Individual National Fixed Services Licence, Individual International Facilities Licence, Internet Service Provider Licence, Value Added Services Licence.
- (b) Abdulrahman Mohammed Jamsheer: *None*;
- (c) Samir Abdulla Nooruddin: *None*;
- (d) Mohammed Abdulla Nooruddin: *None*;
- (e) Hamad Mohammed Fakhroo: *None*;
- (f) Adel Aldowsari: *None*.

Bahrain Telecommunications Industry

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

The Transaction

11. TRA considers that, as a result of the Transaction, there will be a change of control on a lasting basis in Etisalcom. Therefore, TRA considers that the Transaction is a Qualifying Transaction for the purposes of Article 1.2 of the Regulation.

12. In reaching this conclusion TRA has considered, *inter alia*:

- (a) Prior to the proposed transaction:
 - (i) Abdulrahman Mohammed Saif Jamsheer held 10.69%;
 - (ii) Hamad Mohammed Fakhroo held 2.4%;
 - (iii) Nooruddin Abdulla Nooruddin held 40.694%;
 - (iv) Mohammed Abdulla Nooruddin held 5.678%;
 - (v) Essam Abdulla Nooruddin held 2.56%; and
 - (vi) Adel Aldowsari held 6.6%;
- (b) that, as a result of the proposed transaction, the proportions of the distributed shares previously owned by the Shareholders outlined in paragraph 2 above will change and the majority shareholding of 48.6% will now be held by Samir Abdulla Nooruddin;
- (c) Etisalcom informed TRA that the management structure and board makeup of the company remains the same, although the shareholding has changed. However, TRA understand that each share is an ordinary share with equal voting rights and is not aware of any shareholders agreements that affect the voting rights. Moreover there was no evidence to suggest that the board exercises or can exercise more rights or control over the company than the majority shareholder.

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Competitive Assessment

13. On the basis of:

- (a) the information made available by the parties to TRA; and
- (b) TRA inviting comments with respect to the transaction in the prior notification on the transaction published on 15 March 2009; and
- (c) without having received any comments from interested third parties,

TRA has concluded that the proposed transaction does not raise serious doubts as to its compatibility with the Regulation.

Conclusion

14. TRA 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.

15. 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.

Alan Horne

General Director
Telecommunications Regulatory Authority
Manama
Kingdom of Bahrain
31 March 2009