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**COMP/M. 6700 - TALISMAN / SINOPEC / JV CO**

**SECTION 1.2**

**Description of the concentration**

- 1.1 Sinopec and Talisman have agreed that Sinopec will acquire 49% of Talisman's UK oil and gas business, thereby creating a joint venture over which they will exercise joint control. This business is currently conducted by a wholly-owned subsidiary of Talisman. The joint venture will be active in the upstream oil and gas sector in the UK.
- 1.2 Sinopec is a Chinese State-owned entity. Its main business activities are domestic (i.e. in China) oil and gas exploration, development and production; crude oil refining; the marketing and distribution of refined oil products; domestic production and sales of petrochemical products and domestic oil; and domestic petrochemical engineering technical services.
- 1.3 Talisman Energy Inc. is a company listed on the Toronto and New York Stock Exchanges. Its main business activity is the exploration development, production and marketing of crude oil, natural gas and natural gas liquids.
- 1.4 The Parties' activities overlap only to a limited extent and their combined shares are low. The Transaction does not lead to any competition concerns and fulfils the criteria for treatment under the simplified procedure.