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**COMP/M.6950 - UPC / GPT / JV**

**SECTION 1.2**

**Description of the concentration**

Joint Stock Company United Petrochemical Company (“IJPC”), an affiliate of Sistema Joint Stock Financial Corporation, and Grupo Petrotex S.A. de C.V. (“GPT”), a subsidiary of Alfa S.A.B. de C.V. (“Alfa”), seek to form a full-function Joint Venture (“JV”) that will engage in the manufacture and sale of PET. For this purpose, two petrochemical plants will be built in Russia. One plant will be dedicated to the production of PTA, which will solely be used as raw material for the production of PET in the second plant (the “Transaction”).

UPC is a company established in Russia and holds various petrochemical and gas processing companies in Russia. UPC conducts research and analysis for investment opportunities in petrochemical business. UPC is owned by Bashneft which in turn is the petrochemical oil extraction and refining company under its parent company, Sistema.

GPT is a company established in Mexico and a holding company for several petrochemical manufacturing companies with assets in the Americas. GPT manufactures and sells PTA and PET in the Americas but does not have any material sales in Europe.

GPT is a subsidiary of Alpek S.A.B. de C.V. (“Alpek”), which is the wholly owned petrochemical branch of Alfa. Both Alfa and Alpek are publicly traded companies.

The JV will function as a “stand alone” business. The JV will sell the PET it produces to CIS countries, Turkmenistan, Georgia, Ukraine and Europe.