

Determination

Astra Energy Group Limited, GNZ Holdco Limited and NPD Group Investments Limited [2026] NZCC 13

The Commission:	Dr John Small Dr Derek Johnston Bryan Chapple
Summary of application:	An application from Astra Energy Group Limited (or nominee) seeking to acquire all of the shares in GNZ Holdco Limited (including its subsidiaries, Gull) and all of the shares in NPD Group Investments Limited (including its subsidiaries, NPD).
Determination:	Under section 66(3)(a) of the Commerce Act 1986, the Commerce Commission determines to give clearance to the proposed merger
Date of determination:	7 May 2026

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The Proposed Merger

1. On 16 January 2026, the Commerce Commission registered an application (the Application) from Astra Energy Group Limited (Astra Energy or the Applicant) seeking clearance for it (or a nominee) to acquire all of the shares in GNZ Holdco Limited (including its subsidiaries, Gull) and all of the shares in NPD Group Investments (including its subsidiaries, NPD) (the Proposed Merger). Astra Energy is jointly owned indirectly by the Sheridan Investment Trust (Sheridan) and Allegro Funds Pty Ltd (Allegro), who are the only shareholders in its ultimate holding company Astra Energy Holdings Limited (Holdco).¹

Our determination

2. The Commission gives clearance to the Proposed Merger as we are satisfied that it will not have, or would not be likely to have, the effect of substantially lessening competition in any market in New Zealand.

Our framework

3. Our approach to analysing the competition effects of mergers is based on the principles set out in our Mergers and Acquisitions Guidelines (Guidelines).²
4. We determine whether a merger is likely to substantially lessen competition in a market by comparing the likely state of competition if the merger proceeds (the scenario with the merger, often referred to as the factual), with the likely state of competition if the merger does not proceed (the scenario without the merger, often referred to as the counterfactual).³
5. We make a pragmatic and commercial assessment of what is likely to occur in the future, with and without the merger, based on the information we obtain through our investigation and taking into account factors such as market growth, technological changes, and commercial incentives.⁴
6. Only a lessening of competition that is substantial is prohibited. A lessening of competition will be substantial if it is real, of substance, or more than nominal.⁵ There is no bright line that separates a lessening of competition that is substantial from one which is not. What is substantial is a matter of judgement and depends on the facts of each case.⁶ A substantial lessening of competition is 'likely' if there is a real and substantial risk, or a real chance, that it will occur.
7. While we commonly assess competition effects of a merger over a two-year timeframe, the relevant timeframe for assessment depends on the circumstances in any given case. A longer timeframe will be appropriate if, on the evidence,

¹ A public version of the Application is available on the [case register](#) on our website.

² Commerce Commission, Mergers and Acquisitions Guidelines (May 2022). Available on our website [here](#).

³ *Commerce Commission v Woolworths Limited* (2008) 12 TCLR 194 (CA) at [63].

⁴ *Mergers and Acquisitions Guidelines* above n2 at [2.35].

⁵ *Woolworths & Ors v Commerce Commission* (2008) 8 NZBLC 102,128 (HC) at [127].

⁶ *Mergers and Acquisitions Guidelines* above n2 at [2.23].

competition effects are likely to arise in later years.⁷ Indeed, some mergers that may produce competitive benefits in the immediate or short term, may give rise to a substantial lessening of competition over a more extended timeframe.

8. We must clear a merger if we are satisfied that the merger would not be likely to substantially lessen competition in any market.⁸ If we are not satisfied – including if we are left in doubt – we must decline to clear the merger.

The parties

The Applicant – Astra Energy

9. Astra Energy and its parent companies have been incorporated by Sheridan for the purposes of the Proposed Merger.
10. Astra Energy is ultimately:⁹
- 10.1 owned 50% by entities managed by Allegro which include the current shareholders of Gull; and
- 10.2 owned 50% by the current shareholders of NPD (via Holdco).
11. With the Proposed Merger, Astra Energy would acquire Gull and NPD.

The targets

12. Gull and NPD are both fuel suppliers operating in New Zealand predominantly, but not exclusively, via unstaffed retail sites.¹⁰

Gull

13. Gull is a fuel importer and retailer currently owned by Australasian private equity manager, Allegro. It operates 124 sites in New Zealand, comprising 113 retail sites in the North Island, 8 retail sites in the South Island and 3 marina sites.¹¹
14. In addition to supplying retail customers, Gull supplies fuel to other oil companies, distributors, and commercial customers.¹²
15. Gull owns a bulk import and storage terminal at Mount Maunganui. In addition, Gull purchases fuel at other bulk supply terminals throughout New Zealand.¹³

NPD

16. NPD is an independent fuel supplier operating a combination of full service and unstaffed retail sites, as well as truck stops, predominantly located in the South

⁷ *Woolworths & Ors v Commerce Commission* (HC) above n5 at [131].

⁸ Commerce Act 1986, s 66(3)(a).

⁹ The Application at [4].

¹⁰ The Application at [8].

¹¹ The Application at [16]-[17].

¹² The Application at [19].

¹³ The Application at [19].

Island. Specifically, NPD currently operates 77 retail sites in the South Island and 18 retail sites in the North Island.¹⁴

17. NPD currently obtains all its fuel requirements under wholesale fuel supply arrangements with Z Energy, Mobil, and Timaru Oil Services Limited.¹⁵

Market definition

18. Market definition is a tool that helps identify and assess the close competitive constraints a merged entity is likely to face. We define markets in the way that we consider best isolates the key competition issues that arise from a specific merger or acquisition. In many cases this may not require us to precisely define the boundaries of a market. A relevant market is ultimately determined, in the words of the Commerce Act 1986 (the Act), as a matter of fact and commercial common sense.¹⁶
19. We have assessed the competitive effects of the Proposed Merger in the context of markets for the retail and wholesale supply of fuel.
20. With respect to the retail supply of fuel, we:
- 20.1 assessed the competitive effects in a single product market for all fuel types (ie, diesel, regular petrol and premium petrol) as, despite the lack of demand-side substitution, we find that nearly all fuel sites offer all three fuel categories or at least diesel and Regular 91 petrol. While we did not consider it necessary to define separate markets by service level, we considered that differentiation on service and site characteristics may affect the closeness of competition between any given sites and considered this further in our assessment of potential unilateral effects;
- 20.2 did not ultimately need to define the precise geographic boundaries of local markets. However, we recognise that location is an important factor in determining a customer's choice on where to purchase fuel, and there are limits on the time and distance that customers are prepared to travel to do so. As a result, we considered retail fuel supply competition to be localised and geographically differentiated. Therefore, while we did not define precise boundaries for each local market, we have considered competitors within 2km, a 5-minute drive time, and []; and
- 20.3 considered potential national dynamics of competition. As discussed further below, we are satisfied in this case, that all relevant national elements of competition have been adequately captured by our local market analyses of the Proposed Merger.

¹⁴ The Application at [10]-[11]. 19 of NPD's South Island sites also operate as truck stops and two of these sites also operate as marine stops. In addition, it operates 22 sites that are available to NPD cardholders only and not the general public. The Application at [11.1].

¹⁵ The Application at [11].

¹⁶ Commerce Act 1986, s 3(1A). See also *Mergers and Acquisitions Guidelines* above n2 at [3.7]-[3.10].

21. With respect to the wholesale supply of fuel, for the purposes of this determination, we did not consider it necessary to draw definitive conclusions on the scope of the relevant market(s).

With and without scenarios

22. Assessing whether a substantial lessening of competition is likely requires us to:¹⁷
- 22.1 compare the likely state of competition if a merger proceeds (the factual) with the likely state of competition if it does not (the counterfactual); and
- 22.2 determine whether competition is likely to be substantially lessened by comparing those scenarios.
23. With the Proposed Merger, the Parties would merge and operate under the ownership of Astra Energy.
24. We have assessed the Proposed Merger against a counterfactual in which the Parties continue to operate independently of one another and continue to separately develop and expand their respective retail networks.

Unilateral effects

25. Unilateral effects arise when a firm merges with a competitor that would otherwise provide a significant competitive constraint (particularly relative to remaining competitors) such that the merged firm can reduce quality or increase price above the level in the counterfactual without the profitability of that increase being thwarted by rival firms' competitive responses.¹⁸
26. We considered the extent to which unilateral effects would be likely to arise from the Proposed Merger in local retail markets and a potential national retail market.
27. For the reasons set out below, we are satisfied that the Proposed Merger will not, or would not be likely to have, the effect of substantially lessening competition due to unilateral effects in any relevant market in New Zealand.

Unilateral effects in local retail markets – current competition

28. Within each of the local markets in which the Parties currently, or would be likely in the future to, compete for the retail supply of fuel, we assessed whether the Parties are close competitors and whether there would remain sufficient competitive alternatives post-merger to constrain the merged entity from unilaterally increasing prices or otherwise reducing the quality of its offering or service at its fuel sites.
29. We note that fuel retailers compete across a range of attributes as consumers' purchasing decisions are decided by a combination of location, price, and service quality attributes of the retailers' offerings.¹⁹ Because fuel itself is a homogenous

¹⁷ *Mergers and Acquisitions Guidelines* above n2 at [2.29].

¹⁸ *Mergers and Acquisitions Guidelines* above n2 at [3.62].

¹⁹ The Application at [47], and Commerce Commission Interviews with [] and [].

product fuel retailers have different service offerings to differentiate themselves.²⁰ We consider that while retail fuel suppliers may compete to some degree with all retail fuel suppliers in the same area as their sites, across a range of attributes, they often face stronger competition from rivals that are located close to their sites, and rivals that offer similar quality.

30. To carry out our assessment, in each of the local markets, we considered:
- 30.1 the number of rivals within each local market;²¹
 - 30.2 historical pricing of the Parties and rivals;²²
 - 30.3 historical volumes sold by the Parties and rivals;
 - 30.4 site characteristics and topographical features (eg, non-price offerings, service quality of the site, whether the site is staffed or unstaffed, traffic routes, and/or natural barriers that may affect the time and distance customers are willing to travel to purchase fuel);
 - 30.5 advanced plans of the Parties and rivals (ie, sites that have reached a relatively late stage of planning and approval) for new entry and site conversion (by brand and/or from staffed to unstaffed);²³ and
 - 30.6 the ongoing threat of new entry and site conversion by rivals.
31. Based on our assessment of each local market, we are satisfied that the Proposed Merger is not likely to substantially lessen competition in any of the local retail markets in which the Parties currently, or are likely (based on advanced plans) to, overlap due to unilateral effects. This is because within each of the local markets, we consider that the Parties are not uniquely close competitors:
- 31.1 the existing rivals within each local market would continue to provide a competitive constraint on the Parties. This competitive constraint arises through local retail sites competing for customers through both price and non-price factors, for an otherwise homogenous product; and
 - 31.2 future entry and expansion of rivals through new-to-industry sites and site conversions (particularly to unstaffed sites), would further constrain the Parties.²⁴ In particular, we consider that there is a strong trend towards

²⁰ The Application at [48].

²¹ Each local market is distinct, so we have not defined any specific number of remaining rivals that would provide sufficient competitive constraint on the merged entity.

²² We factored discounts into this assessment by accounting for the 'baseline' discounts offered at retail sites that are firstly, available at all times and secondly, available to all consumers that hold the relevant, low barrier loyalty card. We note that the Applicant has also provided pricing analysis of rivals in a NERA report (5 May 2026).

²³ The Applicant defines any such expansion plans of the Parties as plans that are sufficiently developed, committed or otherwise certain. Astra Energy's submission responding to the Statement of Issues (Sol) (2 April 2026) at [5.7].

²⁴ This is consistent with the Applicant's submissions. See, for example, Astra Energy's submission responding to the Sol (2 April 2026) at [4.11] and [4.31].

increasing the presence of unstaffed sites.²⁵ We consider that this is likely to continue as evidenced by advanced plans by rivals for new entry and site conversions over the next three years.²⁶

Unilateral effects in local retail markets – loss of potential future competition

32. We assessed whether the Proposed Merger would substantially lessen competition as a result of a loss of potential future competition between the Parties. In light of the Parties' recent expansion into the North and South Island respectively, we were conscious that an assessment of the Proposed Merger's impact on competition in local markets in which the Parties' currently compete (or have advanced plans to do so) may not fully capture the loss of competition resulting from the Proposed Merger.
33. Accordingly, we considered whether the Parties were likely significant drivers of future competition (eg, in the counterfactual, had broad and substantial expansion strategies not replicated by competitors) in other potential geographic areas in which the Parties may have competed in the future.²⁷ Particularly, we considered whether a loss of potential future competition could occur because – in the counterfactual – future competition may arise between the Parties through:
- 33.1 entry by one of the Parties into local markets in which the other is currently present; or
- 33.2 entry by both of the Parties into local markets where neither is currently present.
34. To the extent that the Proposed Merger may prevent this entry by one or both Parties, the Proposed Merger may prevent a more competitive outcome arising in any such areas and raise competition concerns
35. Based on the evidence before us, we are satisfied that the Proposed Merger is not likely to substantially lessen competition as a result of a loss of potential future competition between the Parties. This is because we consider that NPD and Gull are

²⁵ In 2019, we estimated that 16% of retail fuel sites were unstaffed. Commerce Commission, Market study into the retail fuel sector: Final report (December 2019) at [2.39.2]. We have observed changes and increased dynamism in the retail market since the time of the Commission's 2019 Market study into the retail fuel sector. For example, by August 2025, we estimate that the percentage of unstaffed sites had increased to 21%. In addition, over the period from 2023 to 2025, we estimate that there were [] new-to-industry sites and [] site conversions. Internal Commerce Commission calculations using Gaspary and other data.

²⁶ [].

²⁷ We note that the Applicant submitted that future potential entry suggested in the Sol is speculative and remote, and that our concerns do not meet the legal threshold for establishing a substantial lessening of competition in any local markets. However, we consider that, as a general proposition, it is open to us to find that there is a real chance the Parties would expand into local markets where the other is, or may likely be, present in the counterfactual, (i.e., based on a historical pattern of entry into the same local markets) without needing to form a conclusive view on the precise nature or timing of that entry. Astra Energy's submission responding to the Sol (2 April 2026) at [5.5]-[5.6].

not likely to be unique drivers of future competition and will be constrained by the expansion from rivals.

36. While both NPD and Gull have expanded into new local markets in the last three years, our analysis indicates that rival fuel suppliers (including majors and independents) have expanded via new sites or conversions at a similar, or in some cases, more rapid, rate than the Parties. For example, over the period 2023 to 2025:²⁸
- 36.1 NPD opened [] new sites ([] of which were new-to-industry sites and [] were conversions);
- 36.2 Gull opened [] new sites ([] of which were new-to-industry sites and [] were conversions);
- 36.3 Waitomo opened [] new sites ([] of which were new-to-industry sites and [] were conversions);
- 36.4 Z Energy converted [] sites to U-Go sites; and
- 36.5 Mobil converted 14 sites to Mobil Express sites.²⁹
37. Further, rival expansion and conversions in the last three years have overlapped with existing NPD and/or Gull sites. For example, of the [] sites that Waitomo opened in the last three years, 75% of those sites overlap with at least one of NPD or Gull.³⁰
38. We also note that the evidence before us suggests that []³¹
39. Therefore, we consider that potential expansion and/or conversion to unstaffed sites by rivals and [] means that the Proposed Merger is not likely to give rise to a substantial lessening of competition as a result of a loss of potential future competition between the Parties.

Unilateral effects in a broader national retail market – loss of existing competition

40. While we generally consider that competition occurs at a local level in retail fuel markets, we also considered the potential competitive effects arising outside of, or extending beyond, local market boundaries. In this regard, we considered the extent to which the Parties compete at a national level in the retail supply of fuel, and whether that loss of competition would be sufficient to raise competition concerns.
41. While we consider that fuel retailers may implement broad strategies for competing at a brand level nationally and it remains uncertain as to the strategies the merged

²⁸ Internal Commerce Commission calculations using Gaspy data. We note that our estimates rely on the accuracy and completeness of that data.

²⁹ Exxon Mobil Instagram post (22 December 2025) at https://www.instagram.com/p/DSIUyzDko_s/.

³⁰ Internal Commerce Commission calculations using Gaspy data. We note that our estimates rely on the accuracy and completeness of that data.

³¹ []

entity would adopt in the future, we are satisfied in this case, that all relevant national elements of competition have been adequately captured by our local market analyses of the Proposed Merger.

Coordinated effects in local retail markets

42. A merger can substantially lessen competition if it increases the potential for the merged entity and all, or some, of its remaining competitors to coordinate their behaviour and collectively exercise market power such that output reduces and/or prices increase across the relevant market. Unlike unilateral effects, in which a substantial lessening of competition can arise from the merged entity acting on its own, coordinated effects require some, or all, of the firms in the market to act in a coordinated way.³²
43. Successful coordination requires firms to reach at least an implicit agreement, and then to maintain that agreement by detecting and punishing any firm that deviates from that agreement.³³
44. In assessing whether the Proposed Merger could substantially lessen competition via coordinated effects, we assessed both whether the relevant market is vulnerable to coordination, and whether the merger changes the conditions of the relevant market such that coordination is more likely, more complete, or more sustainable.³⁴
45. We consider that there are a number of factors that potentially make fuel markets vulnerable to coordination.³⁵
46. However, within the local markets where the Parties currently compete, or would in the future compete, we are satisfied that the merger is unlikely to substantially lessen competition by making coordination more likely, complete, or sustainable. This is because:
- 46.1 different fuel retailers use different price and non-price strategies that would make it difficult to reach and maintain a focal point for coordination.³⁶ For example, at a national level
- [
-].³⁷ Within the local markets where the Parties compete there is the presence of multiple different price and non-price strategies active. Within these markets,
- [

³² *Mergers and Acquisitions Guidelines* above n2 at [3.84].

³³ *Mergers and Acquisitions Guidelines* above n2 at [3.88].

³⁴ *Mergers and Acquisitions Guidelines* above n2 at [3.86].

³⁵ As outlined in the Sol (17 March 2026) at [106]. We note that in the Applicant's view, the retail fuel market in New Zealand does not currently have the structure to make successful coordination possible in local markets and the merger does not change that. Astra Energy's submission responding to the Sol (2 April 2026) at [8.3].

³⁶ This point was also raised by the Applicant. Astra Energy's submission responding to the Sol (2 April 2026) at [8.2(d)].

³⁷ Astra Energy's submission responding to the Sol (2 April 2026) at Table 4 of the attached NERA report.

].³⁸

- 46.2 within the local markets, we have not seen evidence to indicate that following the Proposed Merger the pricing strategy of the merged entity or the other low-cost rivals would materially change such that coordination would be more likely;³⁹ and
- 46.3 the dynamic entry and conversion of fuel sites across local markets would likely make any coordinated outcome unstable. In particular, we note the expansion of unstaffed sites which typically achieve low prices in each local market, for example the expansion of U-GO and Mobil Express sites, as well as the continued expansion of Waitomo Group and other low-cost brands.

Vertical effects relating to wholesale supply from the terminal

47. A merger between suppliers (or buyers) who are not competitors but who operate in related markets can result in a substantial lessening of competition due to vertical effects. This can occur where a merger gives the merged entity a greater ability and/or incentive to engage in conduct in a market that raises rivals' costs in a related market and prevents or hinders rivals from competing effectively in that market (which we refer to as "foreclosing rivals").⁴⁰ Foreclosure strategies can include refusing to supply competitors as an important input that is essential for them to compete (total foreclosure), or raising the price it charges competitors to access that input or reducing the quality of that input supplied to competitors (partial foreclosure).
48. We considered whether the Proposed Merger would increase the merged entity's ability and incentive to use its position in wholesale fuel supply from its Mount Maunganui terminal to foreclose downstream rivals through a refusal to supply or by otherwise raising rivals' costs.
49. We are satisfied that the Proposed Merger will not, or would not be likely to, result in a substantial lessening of competition due to vertical effects as the Proposed Merger would not increase the ability of the merged entity to foreclose rivals. This is because:
- 49.1 Gull currently only supplies a small volume of wholesale fuel to third parties;⁴¹ and
- 49.2 there is a significant presence of rivals (in particular, Z, Mobil, and BP) competing to supply wholesale fuel from the Mount Maunganui terminal area, which will provide a competitive constraint on the merged entity.⁴²

³⁸ Astra Energy's submission responding to the Sol (2 April 2026) at [24]-[25] of the attached NERA report.

³⁹ Astra Energy's submission responding to the Sol (2 April 2025) at [8.2(b)] and [8.10].

⁴⁰ *Mergers and Acquisitions Guidelines* above n2 at [5.1]-[5.15].

⁴¹ Astra Energy's submission responding to the Sol (2 April 2026) at [9.8] and the Application at [73].

⁴² This point was also raised by the Applicant. Astra Energy's submission responding to the Sol (2 April 2026) at [9.5]. We note that while it also submitted that fuel distributors have alternative sources of fuel at competitive spot-market prices in accordance with the Terminal Gate Price regime, we do not consider the spot market to be a relevant constraint on the merged entity.

Determination on notice of clearance

- 50. We are satisfied that the Proposed Merger will not have, or would not be likely to have, the effect of substantially lessening competition in a market in New Zealand.

- 51. Under section 66(3)(a) of the Commerce Act 1986, the Commerce Commission determines to give clearance to Astra Energy Group Limited (or nominee) to acquire all of the shares in GNZ Holdco Limited (including its subsidiaries, Gull) and all of the shares in NPD Group Investments (including its subsidiaries, NPD).

Dated this 7th day of May 2026

Dr John Small
Chair