

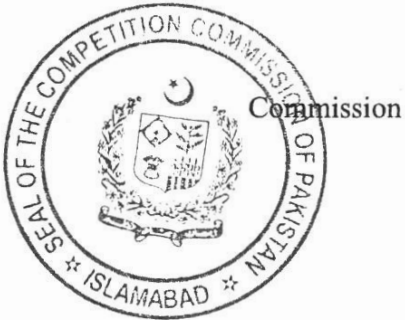


**BEFORE THE
COMPETITION COMMISSION OF PAKISTAN**

FIRST PHASE REVIEW

**IN THE MATTER OF A JOINT VENTURE BETWEEN FLY JINNAH SERVICES
(PRIVATE) LIMITED AND AIR ARABIA ACADEMY LLC.**

CASE: 1520/Merger-CCP/2025



A handwritten signature in black ink, appearing to read "Kabir".

**Dr. Kabir Ahmed Sidhu
Chairman**

ORDER

1. On 11th February 2025, the Competition Commission of Pakistan (the “**Commission**”) received a pre-merger application (the “**Application**”) jointly from Fly Jinnah Services (Private) Limited (“**JV Party 1**”) and Air Arabia Academy LLC (“**JV Party 2**”), seeking approval for their intended joint venture, pursuant to a Shareholders’ Agreement dated 15th January 2025 (the “**Agreement**”).
2. The Application was filed under Section 11 of the Competition Act, 2010 (the “**Act**”) read with Regulation 6 of the Competition (Merger Control) Regulations, 2016 (the “**Merger Regulations**”).

Merger Parties

JV Party 1

3. Fly Jinnah Services (Private) Limited (**Fly Jinnah**) is a private limited company incorporated under the laws of Pakistan. It is engaged in the business of commercial air transport, which includes passenger transport, cargo services, postal carriage services, and aircraft repairs and maintenance.

JV Party 2

4. Air Arabia Academy LLC (**Air Arabia**) formerly known as T3 Aviation Academy LLC is a sole proprietorship company incorporated under the laws of United Arab Emirates. It is engaged in aviation training business in the UAE.

Transaction

5. Pursuant to the Application and the Agreement, Fly Jinnah and Air Arabia will contribute a total share capital of USD (or equivalent in Pakistani Rupees “PKR”) to the newly incorporated entity namely Fly Jinnah T3 Flight Academy (Private) Limited (the “**New Company**”). As a result, Fly Jinnah will hold % of the shares and voting rights, amounting to shares, while Air Arabia will hold % of the shares, amounting to shares (the “**Transaction**”). The capital investment will be utilized for the formation, establishment, and operationalization of the New Company, which will focus on aviation training services in Pakistan.



Phase-I Competition Assessment

Procedural Review

6. The Commission carried out Phase-I competition assessment of the Application, along with its supporting documentation, to determine adherence to the Act and Merger Regulations. This evaluation particularly emphasized potential competitive issues, such as market dominance and competition post-merger.

Relevant Market

7. The relevant product market, for the purposes of this assessment, is identified as **Aviation Training Services**. The relevant geographic market is **Pakistan**, based on local supply dynamics and consumer preferences for aviation training.

Market Share

8. At present, the New Company has no existing market share in Pakistan; however, its competitive position post-transaction will be subject to market entry conditions and potential competitive constraints from existing players.

Competition Analysis

9. The submissions reveal that the transaction is of a conglomerate nature, as Fly Jinnah operates in airline services while Air Arabia specializes in aviation training. Both operate in different markets and geographic regions. The joint venture will act as a separate legal entity, managing its own day-to-day operations, making it a full-function joint venture.
10. No horizontal overlaps exist, and the integration of airline operations with aviation training services is expected to enhance efficiency and workforce alignment. There is no indication that the Company will restrict access to aviation training for third parties. Given the regulatory oversight by the Pakistan Civil Aviation Authority, competition remains open to other aviation training institutions. The collaboration is likely to improve service quality and enhance technical skill development in the aviation sector.

Determination

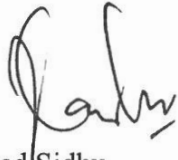
The Commission concludes that the proposed Transaction is not likely to substantially lessen competition by creating or strengthening a dominant position in the relevant market, as defined under Section 2(1)(e) read with Section 11 of the Act and the Merger



Regulations. The proposed Transaction is hereby authorized under Section 31(1)(d)(i) of the Act.

12. Notwithstanding the above, matters which may fall outside the scope of the Commission's purview, remain subject to applicable laws, judicial orders and the oversight of relevant regulatory bodies.

13. It is so ordered.



Dr. Kabir Ahmed Sidhu

Chairman



ISLAMABAD, March 20, 2025.