



**BEFORE THE  
COMPETITION COMMISSION OF PAKISTAN**

**FIRST PHASE REVIEW**

**IN THE MATTER OF THE ACQUISITION OF       % SHAREHOLDING IN  
M/S. OLAM AGRI HOLDINGS LIMITED BY M/S. SAUDI AGRICULTURAL  
AND LIVESTOCK INVESTMENT COMPANY FROM M/S. OLAM AGRI  
PTE. LIMITED AND M/S. OLAM HOLDINGS PTE. LIMITED**

**CASE NO. 1547/Merger-CCP/2025**



**Dr. Kabir Ahmed Sidhu  
Chairman**

## ORDER

1. On 25<sup>th</sup> June 2025, M/s. Saudi Agricultural and Livestock Investment Company (“SALIC” or the “Acquirer”) submitted a pre-merger application (the “Application”) before the Competition Commission of Pakistan (the “Commission”). The Acquirer notified its intention to acquire up to % of the issued share capital of M/s. Olam Agri Holdings Limited (“OAHL” or the “Target”) thereby increasing its existing shareholding from % to %, or subsequently up to %<sup>1</sup>. The shares are to be acquired from M/s. Olam Agri Pte. Limited. (“OAPL” or “Seller 1”) and M/s. Olam Holdings Pte. Limited. (“OHPL” or “Seller 2”) (together, the “Sellers”).
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

#### **Acquirer**

3. SALIC, a joint stock company incorporated on 14<sup>th</sup> April 2009, is owned and controlled by Public Investment Fund (PIF) of the Kingdom of Saudi Arabia (KSA). SALIC has investments both within the KSA and internationally in undertakings engaged in the trade of agricultural commodities. Its agribusiness portfolio focuses on farming, procurement, and importation of key commodities into the KSA. The company maintains a geographic presence in several countries, including KSA, Ukraine, Canada, and Australia. SALIC has no direct business operations in Pakistan, other than its investment in the Target.

#### **Target**

4. OAHL, incorporated on 30<sup>th</sup> April 2021 and headquartered in Singapore, operates as a global merchant and processor of agricultural commodities, with activities spanning the entire value chain, including farming, origination, processing, distribution, and marketing. Its business is organized into three principal segments:

**Origination and Merchandising:** encompassing sourcing and trading of grains and oilseeds (such as wheat, maize, barley, rice, flaxseed, sorghum, chickpeas,

Clause 16 and 17 of the SHA contain the Seller’s put option which is exercisable at the three years as of completion of initial share transfer. SALIC’s call option is exercisable immediately after completion of the initial share transfer for three years.



and soybeans) and edible oils (including palm, rapeseed, soybean, and sunflower oil), with freight management services.

- (b) **Processing and Value-Added:** covering the sourcing, processing, and trading of rice, pulses, sesame, quinoa, animal feed and proteins, as well as wheat milling, pasta production, and edible oil refining.
  - (c) **Fiber, Agriculture, and Services:** involving cotton, rubber, sugar, wood products, and related risk management solutions.
5. OAHL maintains a global footprint in approximately 30 countries, including Pakistan, and operates around 60 manufacturing and processing facilities worldwide.

#### **Sellers**

6. OAPL, incorporated on 8<sup>th</sup> June 2022, and OHPL, incorporated on 12<sup>th</sup> January 2021 in Singapore, are wholly-owned and controlled by Olam Group Limited (OGL), incorporated on 26<sup>th</sup> August 2021 in Singapore. OGL is an international enterprise controlling several undertakings globally across the agri-business sector. In Pakistan, OAPL is engaged, inter alia, in the origination and wholesale trade of certain agri-commodities, while OHPL acts solely as a holding company.

#### **Transaction**

7. The transaction is governed by the Share Purchase Agreement dated 24<sup>th</sup> February 2025 (SPA) and the Shareholders' Agreement dated 20<sup>th</sup> February 2025 (SHA) (collectively, the "Agreements") entered into between the merger parties. Under the SPA, SALIC agreed to acquire an additional % shareholding in OAHL from the Sellers *i.e.*, OAPL and OHPL, increasing its shareholding up to %. As noted above, the SHA also provides SALIC with the option to raise its shareholding to % in OAHL through further acquisitions and shareholder arrangements. The purchase price for OAHL is approximately USD (around PKR ) (the "Transaction")<sup>2</sup>.
8. The merger parties emphasized that the Transaction was part of a strategic partnership aimed at combining SALIC's food security objectives, aligned with the KSA's national strategy, with OAHL global expertise in origination, trading, and processing of agricultural commodities.

The proposed Transaction follows SALIC's prior and separate acquisition of % of OAHL's issued and joint control (together with Sellers) which was closed in December 2022. The Applicant has submitted that a merger control notification was filed in Pakistan (Case 1309/Merger-CCP/22) and unconditional clearance was obtained from the Commission during the Phase I on 12<sup>th</sup> September 2022.



## Phase-I Competition Assessment

### **Procedural Review**

9. The Commission, after examining the record, carried out a Phase-I review under Section 11 of the Act, read with the Merger Regulations, to assess compliance and to consider whether the Transaction was likely to give rise to a dominant position or substantially lessen competition in the relevant market.

### **Relevant Market**

10. OAHL is engaged in the trading of rice, soybean, cotton, rubber, sawn timber, and edible oil in Pakistan. In its earlier order dated 12th September 2022, the Commission recorded OAHL's presence in the wholesale trading of soybean, cotton, and sawn timber. For the purposes of this assessment, the Commission has determined that, due to the absence of substitutability across these categories, each commodity constitutes a separate and distinct relevant product market.
11. As regards the relevant geographic market, the Commission considers **Pakistan** as a whole, taking into account integration of domestic demand conditions across the country, and the central role of import and export channels through Pakistani ports in meeting national consumption requirements.

### **Market Share**

12. On the basis of the pre-merger application and the subsequent response to the request for information, the Commission has examined OAHL's trading activities in Pakistan during FY2024. The record indicates that OAHL was active in the **wholesale trading of cotton<sup>3</sup>, sawn timber, rubber<sup>4</sup>, edible oils, and rice**. For the purposes of this assessment, the Commission has considered the estimated size of each market, the sources relied upon by the Applicant, and the sales volumes attributable to OAHL.

<https://apps.fas.usda.gov/newgainapi/api/Report/DownloadReportByFileName?fileName=Cotton+and+Products+Update+Islamabad+Pakistan+PK2025-0010.pdf>

13. In the **cotton market**, OAHL's export to Pakistan amounted to **MT** against a total market size of **MT** in FY2024, as estimated in the USDA Cotton Report (2024/25). This results in a market share of **%**, which the Commission considers to demonstrate a material presence in the Pakistani cotton import segment<sup>5</sup>.
14. In the **edible oils** market, and in particular palm oil, OAHL's export to Pakistan amounted to **MT** against a total market of **MT**, as reported by **Global Trade Tracker** customs data (2024), submitted by the Applicant. This corresponds to a market share of **%**, representing a modest but noticeable role in the edible oil sector.
15. In the rice origination market, OAHL imports from Pakistan were **MT** against total exports of **MT**, as reported in the **USDA dataset** (2024/25). This results in a market share of **%**, which is limited in scope.
16. With respect to **sawn timber**, OAHL's exports to Pakistan amounted to **MT**, measured against a market size of **MT**, representing a market share of **%**. The market size estimate was provided through internal assessments and consultations with traders and clients by the Applicant. This indicates only a negligible presence in this segment.

#### Competition Analysis

17. Having regard to the foregoing analysis of market shares, the Commission concluded that OAHL held a material position in cotton (**%**) and a moderate presence in edible oils (**%**), whereas its involvement in rice (**%**) and swan timer (**%**) was limited. Assessed both individually and collectively, these shares do not confer a dominant position nor raise competition concerns in the relevant markets of Pakistan.
18. The Commission observed that SALIC did not conduct any direct business operations in Pakistan. Its connection to the activities in the relevant markets identified above arose solely through its existing shareholding in the Seller companies. By contrast, OAHL was directly active in the import, trading, and distribution of agricultural commodities, including rice, soybean, cotton, rubber, and sawn timber. On this basis, the overlap

Survey of Pakistan FY 2024/25. [https://finance.gov.pk/survey/chapter\\_25/2\\_Agriculture.pdf](https://finance.gov.pk/survey/chapter_25/2_Agriculture.pdf)



between the parties was of a horizontal nature, as both were situated at the same level of the supply chain within the same product markets.

19. With respect to the nature of the Transaction, the Commission noted that it involved a change in control. SALIC, through its ownership structure linked to PIF, sought to increase its shareholding in OAHL from joint control to sole control by acquiring the Sellers' shares. However, this change in the degree of control did not create an entirely new presence of the merger parties in Pakistan.
20. In considering the counterfactual, the Commission found that the Transaction did not alter the existing structure or conduct of competition within Pakistan. The consolidation took place at the shareholder level outside Pakistan, and the activities of OAHL within Pakistan were expected to remain unchanged. No integration of overlapping domestic operations was anticipated that could have materially reshaped market dynamics.
21. The Commission further noted that the agricultural commodities sector in Pakistan was fragmented and competitive. Numerous traders, importers, and distributors were active in this space, and a substantial proportion of domestic demand was satisfied through international procurement channels.
22. Against this backdrop, the Commission examined whether the Transaction could have given rise to unilateral effects, such as the ability to increase prices, restrict supply, or foreclose rivals. In light of the modest market shares of the merger parties, the continued presence of established competitors, and the relatively low barriers to entry through imports, the Commission determined that unilateral effects were unlikely.
23. The Commission also considered the potential for coordinated effects. Having regard to the diversity of products, the supply and demand conditions, and the absence of structural features conducive to collusion, the Commission found that the Transaction did not materially increase the risk of coordinated behaviour.
24. Finally, the Commission assessed the potential efficiencies arising from the Transaction. While the acquisition was expected to provide SALIC with greater financial strength and operational capacity, these efficiencies were not of a kind that would distort market competition. To the contrary, they were likely to enhance the reliability of supply chains and contribute positively to market growth. In this respect, the efficiencies were regarded



as pro-competitive rather than exclusionary. The material before the Commission did not disclose any credible risk relating to barriers to entry or other harm to competition.

**Ancillary Restrictions**

25. The Application revealed the presence of certain ancillary restraints within the Agreements. The merger parties are directed to ensure full compliance with the provisions of the Act and to obtain prior clearance from the Commission before giving effect to any such clauses.

**Determination**

26. Based on the record and analysis, the Commission concluded that the Transaction neither creates nor strengthens a dominant position and is not likely to substantially lessen competition in the relevant markets, as provided under Section 2(1)(e) read with Section 11 of the Act and the Merger Regulations. Accordingly, the Transaction is hereby authorized under Section 31(1)(d)(i) of the Act.
27. Notwithstanding the above, matters which fall outside the scope of the Commission's jurisdiction may remain subject to applicable laws, judicial orders, and the oversight of relevant regulatory bodies.
28. It is so ordered.



Dr. Kabir Ahmed Sidhu  
(Chairman)



ISLAMABAD, Sept 26<sup>th</sup>, 2025.