

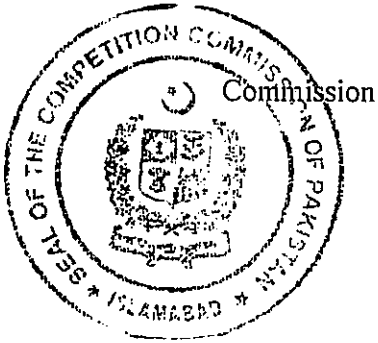



**BEFORE THE
COMPETITION COMMISSION OF PAKISTAN**

FIRST PHASE REVIEW

**IN THE MATTER OF ACQUISITION OF AN ASSET OF M/S. PAKISTAN OXYGEN
LIMITED BY M/S. PAK ARAB FERTILIZERS LIMITED**

CASE: 1595/Merger-CCP/2026




Ms. Bushra Naz Malik
Member

ORDER

1. On 16th February, 2026, the Competition Commission of Pakistan (the “**Commission**”) received a pre-merger application (the “**Application**”) from M/s. Pak Arab Fertilizers Limited (the “**Acquirer**”). The Application pertains to the proposed acquisition of the Liquid CO₂ plant (the “**Asset**”) of M/s. Pakistan Oxygen Limited (the “**Target**”) by the Acquirer (the Acquirer and the Target are collectively referred to as the “**Merger Parties**”) pursuant to an Asset Purchase Agreement (the “**Agreement**”) dated 4th February, 2026. The requisite information was subsequently furnished by the Merger Parties on 8th April, 2026.
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

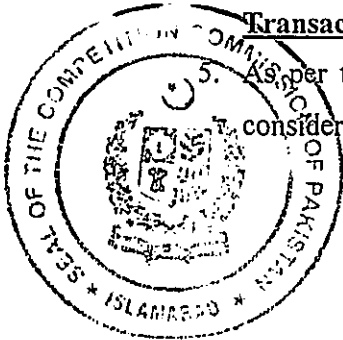
3. M/s. Pak Arab Fertilizers Limited is a public unlisted company incorporated under the laws of Pakistan on 19th August, 2024. It is a wholly owned subsidiary of M/s. Fatima Fertilizer Company Limited (the “**Ultimate Acquirer**”). It is principally engaged in manufacturing, producing, buying, selling, importing and exporting of fertilizers and chemicals.

Target

4. M/s. Pakistan Oxygen Limited was incorporated under the laws of Pakistan on 8th June, 1949 as a private limited company and converted into a public limited company in 1958. It is involved in manufacturing of industrial and medical gases, welding electrodes and marketing of medical equipment.

Transaction

5. As per the Application, the Acquirer intends to acquire the Asset of the Target for a consideration of PKR _____/- (the “**Transaction**”).



Phase-I Competition Assessment

Procedural Review

6. Based on the Application and information obtained subsequent to the Application, the Commission conducted a Phase-I competition assessment of the Application, including supporting documentation, to evaluate compliance with the Act and Merger Regulations. The assessment particularly focused on potential competitive concerns, including issues related to market dominance and the overall impact on competition post-merger in the relevant market.

Relevant Market

7. The Acquirer is principally engaged in manufacturing, producing, buying, selling, importing and exporting of fertilizers and chemicals. The Target is involved in manufacturing of industrial and medical gases, welding electrodes and marketing of medical equipment. Therefore, the relevant market in relation to the proposed Transaction is "Production and sale of liquid CO₂" and the relevant geographic market is "Pakistan".

Market Share

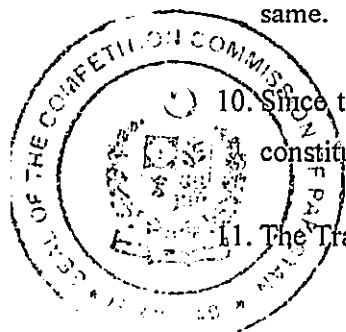
8. Based on the information provided, the relevant market is unregulated, with an estimated total industry production of liquid CO₂ of approximately _____ per annum for CY 2025. Accordingly, the market shares of the Ultimate Acquirer and the Target are estimated at approximately _____ % and _____ %, respectively, based on their production volumes of _____ MT and _____ during the same period. Therefore, as a result of the proposed merger, the combined market share of the Ultimate Acquirer and the Acquirer would increase to approximately _____ %.

Competition Analysis

9. The Transaction indicates that the Acquirer is acquiring the Target's specific Asset i.e., the LCO₂ plant. The proposed merger is limited to sale and purchase of only the subject Asset which will later materialize into the Acquirer being in full control and ownership of the same.

10. Since the Target and the Ultimate Acquirer operate in the same market, the Transaction constitutes a horizontal merger.

11. The Transaction enhances the market share slightly, however the increase is not significant



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Therefore, the Transaction neither enhances barriers to entry for other players in the relevant market nor increases market power of the Merger parties significantly.

12. In light of the foregoing, the Transaction is not likely to substantially lessen the competition by creating or strengthening a dominant position. The Commission at this stage finds no basis to conclude that the Transaction raises any competition concerns or is likely to distort prevailing competitive conditions in the relevant market in Pakistan.

13. The intended merger does not meet the presumption of dominance as defined under Section 2(1) (e) of the Act read with Section 3 and 11(5) of the Act.

Determination

14. Based on the information provided, the Commission concludes that the Proposed Transaction does not create or strengthen 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.

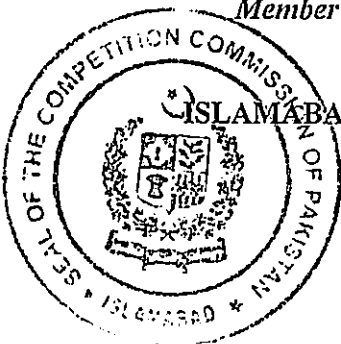
15. Notwithstanding the above, matters which may fall outside the scope of the Commission's purview, remain subject to applicable laws, judicial orders and the oversight of relevant regulatory bodies.

16. It is so ordered.



Ms. Bushra Naz Malik

Member



ISLAMABAD, April 23, 2026