



BEFORE THE
COMPETITION COMMISSION OF PAKISTAN

FIRST PHASE REVIEW

IN THE MATTER OF ACQUISITION OF CERTAIN ASSETS OF M/S. VIATRIS INC.
AND M/S. PFIZER INC. BY M/S. OBS PAKISTAN (PRIVATE) LIMITED

CASE: 1312/Merger-CCP/2022

Commission

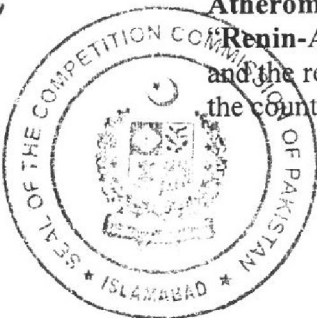
Ms. Rahat Kaunain Hassan
Chairperson



Mr. Mujtaba Ahmad Lodhi
Member

ORDER

1. On 2nd August, 2022, the Competition Commission of Pakistan ("**Commission**") received a pre-merger application ("**Application**") pursuant to Section 11 of the Competition Act, 2010 ("**Act**") read with Regulation 6 of the Competition (Merger Control) Regulations, 2016 ("**Merger Regulations**") whereby, M/s. OBS Pakistan (Private) Limited ("**OBS**") intends to acquire certain assets of M/s. Viatris Inc. ("**Viatris**") and Pfizer Inc. ("**Pfizer**") respectively. All requisite information/documentation pertaining to the Application was completed on November 15, 2022.
2. The Commission has examined the Application as well as all the documents attached therewith and the information provided by the concerned undertaking(s). The Phase I competition assessment of the intended transaction has revealed the following facts:
 - i. The business activities of the undertakings concerned are:
 - a. For OBS: it's a special purpose vehicle, currently, it has not commenced operations. It is a wholly-owned subsidiary of M/s. Aitkenstuart Pakistan (Pvt.) Limited (the "**Parent**"), which was incorporated in Pakistan on November 08, 2007 and is a part of the AGP Pharma group companies, which operates in the pharmaceutical and healthcare sector. Post transaction, OBS's principle activity will be to manufacture, market and sell pharmaceutical and healthcare products.
 - b. For Viatris: it's a global healthcare company, incorporated under the laws of the State of Delaware – USA on November, 2020. Its principal activity is to research & development, marketing, export, distribution, wholesale and manufacturing of all kinds of pharmaceutical products. Viatris itself has no presence in Pakistan, but its products are sold in Pakistan through M/s. Pfizer Pakistan Limited ("**Pfizer Pakistan**").
 - c. For Pfizer: it's a research based, global biopharmaceutical company and incorporated under the laws of the State of Delaware on June 2, 1942. It globally deals in a wide range of pharmaceutical products with a focus on biotechnology. Pfizer Pakistan is a subsidiary of Pfizer which is active in pharmaceuticals.
 - ii. As per the Application, the transaction relates to acquisition of certain assets (which are mainly drug/pharmaceutical products and include the license and intellectual property associated therewith) from Viatris and Pfizer. The purchase price of the said assets is USD Total consideration amount is estimated to be PKR
 - iii. The overall market is manufacturing and distribution of pharmaceutical products. The reportable market in this case has been identified as "**Anti-Epileptics**" while relevant product markets have been identified as "**Analgesics**", "**Antirheumatic System**", "**C.V.Multither.Comb.Prods**", "**Hypotensives**", "**Lipid-Reg/Anti-Atheroma**", "**Ophthalmologicals**", "**Psychoanaleptics**", "**Psycholeptics**", "**Renin-Angiotensin System Agent**", "**Urologicals**" and "**Heart (Homeopathic)**" and the relevant geographic market is "**Pakistan**" as such products are used across the country where the conditions of competition are sufficiently homogeneous.



- iv. The OBS's parent and its associated company (M/s. AGP Limited ("AGP") and M/s. Aspin (Private) Limited ("Aspin")) are also active in the anti-epileptics market with brand names Gabolest and Negrab. Both have combined estimated market share of less than . However, through the proposed transaction the Parent will increase its presence in Anti-epileptics by . and will gain presence in the other relevant markets via this transaction.
- v. As per the Application, market share of the brands to be acquired and its market share on the basis of direct and indirect competitors are mentioned below:

| Product | Therapeutic Class ("TC") II | Individual Market Share in TC II | Combined Market share in TC II |
|----------------------|-----------------------------|----------------------------------|--------------------------------|
| Relpax | Analgesics | | |
| Lyrica | Anti-Epileptics | | |
| Dilantin | Anti-Epileptics | | |
| Parquetin | Anti-Epileptics | | |
| Celebrex | Antirheumatic System | | |
| Caduet | C.V.Multither.Comb.Prods | | |
| Cardura | Hypotensives | | |
| Lipitor | Lipid-Reg/Anti-Atheroma | | |
| Xalatan | Ophthalmologicals | | |
| Xalacom | Ophthalmologicals | | |
| Zoloft | Psychoanaleptics | | |
| Efexor | Psychoanaleptics | | |
| Xanax | Psycholeptics | | |
| Clozaril | Psycholeptics | | |
| Zeldox | Psycholeptics | | |
| Norvasc | Renin-Angioten Syst Agent | | |
| Detrusitol | Urologicals | | |
| Diacard (Gold Drops) | Heart (Homeopathic) | Market share not available | |

Source: Application

3. The proposed transaction does not create or strengthen dominance as determined under Section 2(1)(e) read with Section 3 of the Act. Hence, it is hereby authorized under Section 31(1)(d)(i) of the Act.
4. In the subject transaction, matters which may fall outside the scope of the Commission's purview remain subject to the applicable laws.
5. It is so ordered.



(Ms. Rahat Kaunain Hassan)
Chairperson

(Mr. Mujtaba Ahmad Lodhi)
Member

Islamabad the November 28th, 2022.