



**BEFORE THE
COMPETITION COMMISSION OF PAKISTAN**

FIRST PHASE REVIEW

**IN THE MATTER OF ACQUISITION OF % SHAREHOLDING OF M/S.
ENGRO POLYMER AND CHEMICALS LIMITED BY M/S. LOTTE CHEMICAL
PAKISTAN LIMITED FROM M/S. ENGRO CORPORATION LIMITED**

CASE: 1629/Merger-CCP/2026




Ms. Bushra Naz Malik
Member

ORDER

1. The Competition Commission of Pakistan (the "Commission") received a pre-merger application (the "Application") from M/s. Lotte Chemical Pakistan Limited (the "Notifying Party" or the "Acquirer"), seeking approval for the acquisition of % shareholding of M/s. Engro Polymer and Chemicals Limited (the "Target") from M/s. Engro Corporation Limited (the "Seller"), pursuant to the terms of a Share Purchase Agreement dated 31st August, 2026 (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

Acquirer

3. M/s. Lotte Chemical Pakistan Limited is a public limited company incorporated under the laws of Pakistan on 30th May, 1998. It is engaged in the manufacturing and supply of Purified Terephthalic Acid (PTA) in Pakistan, which is primarily used as a raw material in the production of Polyester and Polyethylene Terephthalate (PET).
4. In addition, PTA Global Holding Limited is the majority shareholder of the Acquirer, holding % of its shares.

Target

5. M/s. Engro Polymer & Chemicals Limited is a public listed company incorporated under the laws of Pakistan on 20th October, 1997. It is principally involved in the manufacturing, marketing, and sale of Polyvinyl Chloride ("PVC"), caustic soda, sodium hypochlorite, hydrogen peroxide, and other chlor-alkali products.

Seller

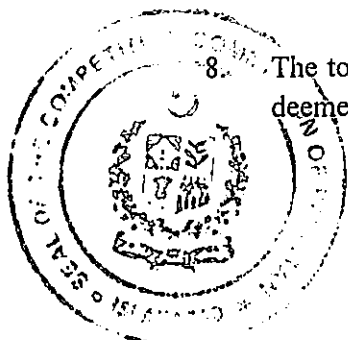
6. M/s. Engro Corporation Limited is a public unlisted company incorporated under the laws of Pakistan on 29th September, 1965. It is the holding company of the Target and is engaged in managing investments in its subsidiaries, associated companies, and joint ventures.

Transaction

7. According to the Agreement, the Acquirer proposes to acquire ordinary shares from the Seller, representing % of the Target's total issued share capital of ordinary shares.

8. The total consideration for the proposed acquisition is PKR deemed to be the transaction value (the "Transaction").

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Phase-I Competition Assessment

Procedural Review

9. Based on the Application, the Commission conducted a Phase-I competition assessment with Section 11 of the Act and the Merger Regulations to determine whether the proposed Transaction may result in a substantial lessening of competition or the creation or strengthening of a dominant position in the relevant market.

Relevant Market

10. The Target is primary engaged in the manufacturing, marketing, and sale of Polyvinyl Chloride ("PVC"), caustic soda, hydrogen peroxide and other chlor- products whereas the Acquirer is involving in in the manufacturing and supply of Purified Terephthalic Acid (PTA). For the purpose of the present assessment, the relevant product market is defined as "PVC", "Caustic Soda" and "Hydrogen Peroxide" while the relevant geographic market is "Pakistan".

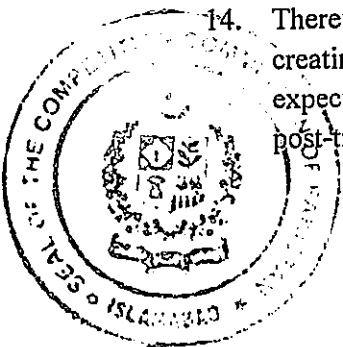
Market Share

11. According to the Application, the Proposed Transaction is not expected to result in a substantial lessening of competition in the relevant markets. In the PVC market, the Target is the sole domestic manufacturer with an estimated market share of %, while imports account for the remaining % of the market and constitute the principal competitive constraint on the Target. In the caustic soda and hydrogen peroxide markets, the Target holds relatively low market shares of % and %, respectively, compared to other major market participants.

Competition Analysis

12. The Acquirer has no presence in any of these relevant markets. Neither the Acquirer nor any of its associated, affiliated, or group companies is a buyer of the Target's products; therefore, there is no horizontal or vertical overlap between the parties. Accordingly, the Proposed Transaction is not expected to result in any increase in market concentration or adversely affect the existing competitive structure of the relevant markets.
13. Following completion of the Proposed Transaction, the Acquirer will hold % of the ordinary/voting shares of the Target. However, such acquisition of shareholding does not result in any increase in the Target's market share, as the Proposed Transaction involves a change in ownership and control of the Target and does not entail any increase in its production capacity, sales, or output.

14. Therefore, the proposed transaction is not likely to substantially lessen competition by creating or strengthening a dominant position. Moreover, the proposed transaction is not expected to create entry barriers or significantly enhance the market power of the parties post-transaction.



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Ancillary Restrictions

15. Application revealed presence of certain ancillary restrictions which may require exemption under Section 5 of the Act, read with Regulation 4 of the Competition Commission (Exemption) Regulations 2020.

Determination

16. 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.
17. Without prejudice, it is hereby clarified that the present assessment is strictly limited to the review of the transaction under Section 11 of the Act.
18. Notwithstanding the, 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.
19. It is so ordered.

Ms. Bushra Naz Malik

Member

ISLAMABAD, Oct 7, 2026

