



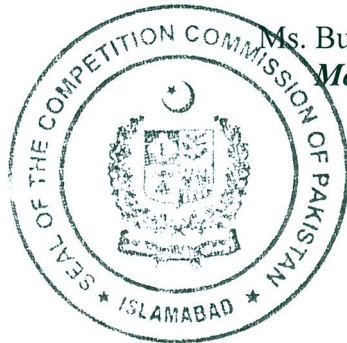
BEFORE THE
COMPETITION COMMISSION OF PAKISTAN

FIRST PHASE REVIEW

IN THE MATTER OF ACQUISITION OF ASSETS AMOUNTING TO USD
OF M/S. SANDOZ AG BY M/S. OBS AGP (PRIVATE) LIMITED
CASE: 1160/Merger-CCP/21

Commission


Mr. Mujtaba Ahmad Lodhi
Member



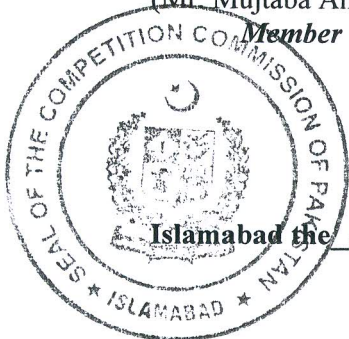

Ms. Bushra Naz
Member

ORDER

1. On 18th March, 2021 the Competition Commission of Pakistan ("**Commission**") received a pre-merger application ("**Application**") submitted by M/s. OBS AGP (Private) Limited ("**OBS AGP**" or "**Acquirer**") of the proposed acquisition of assets amounting to USD /- of M/s. Sandoz AG ("**Sandoz**" or "**Target**") pursuant to Section 11 of the Competition Act, 2010 ("**Act**") read with Regulation 6 of the Competition (Merger Control) Regulations, 2016 ("**Merger Regulations**") in accordance with Local Asset Transfer Agreement ("**Agreement**"). Upon preliminary investigation, it was found that some required information was missing and the last correspondence in relation to missing information was received on April 20, 2021.
2. The Commission has examined the Application as well as all the documents attached therewith, the market scenario, and made its observations on the basis of an independent research/investigation in the relevant markets. The Phase I competition assessment of the intended transaction has resulted in the following findings:
 - i. The business activities of the undertakings concerned are:
 - a. For Acquirer: special purpose vehicle
 - b. For Target: globally commercializes a portfolio of generics medicines and biosimilars
 - ii. Pursuant to the Application, the proposed transaction is sale of assets that consist of market authorizations, one trademark relating to self-developed pharmaceutical products currently being commercialized by Novartis Pharma (Pakistan) Limited in Pakistan. The estimated consideration amount is USD /- (Approx. PKR as on April 29, 2021). As per the Applicant, the funds will be remitted abroad to the Target's account.
 - iii. The notified acquisition is part of a twofold proposed transaction, subject to which the Acquirer intends to acquire certain assets of (i) Sandoz and (ii) M/s. Novartis Pharma (Pakistan) Limited. The second leg of the proposed transaction is processed under case number 1159/merger-CCP/2021.
 - iv. The relevant markets in this case have been identified as the business of "**Import, Manufacture, Sale, and Marketing of Pharmaceutical Products**" and the relevant geographic market is "**Pakistan**".
 - v. Currently, the market share of Target in the relevant market is %. However, the market share of the Acquirer is nil as it is currently not operational. Two group undertakings of the Acquirer are currently active in the relevant market. The market share of M/s. AGP Limited & M/s. Aspin Pharma (Private) Limited are % and % respectively.
3. In conclusion, the proposed transaction does not meet the presumption of dominance as determined under Section (2) (1) (e) read with Section 3 of the Competition Act 2010 ("**Act**"). The proposed transaction is hereby authorized under Section 31 (1) (d) (i) of the Act.
4. It is so ordered.

(Mr. Mujtaba Ahmad Lodhi)
Member

(Ms. Bushra Naz)
Member



APRIL 29th, 2021.