



BEFORE THE
COMPETITION COMMISSION OF PAKISTAN

FIRST PHASE REVIEW

IN THE MATTER OF ACQUISITION OF ADDITIONAL SHAREHOLDING OF
M/S. CHERAT PACKAGING LIMITED BY M/S. CHERAT CEMENT COMPANY
LIMITED

CASE: 1626/Merger-CCP/2026



Ms. Bushra Naz Malik

Member

ORDER

1. The Competition Commission of Pakistan (the “Commission”) received a pre-merger application (the “Application”) regarding the acquisition of ordinary shares of M/s. Cherat Packaging Limited (the “Target”) by M/s. Cherat Cement Company Limited (the “Acquirer”) through the Capital Market. The Application was submitted to the Commission by the Acquirer.
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. Cherat Cement Company Limited is a Public Limited Company incorporated under the laws of Pakistan on 25th May, 1981. It is engaged in production and sale of cement.

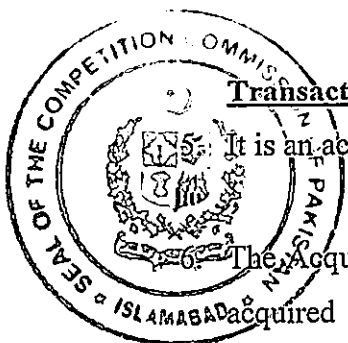
Target

4. M/s. Cherat Packaging Limited is a Public Limited Company incorporated under the laws of Pakistan on 11th July, 2011. It is engaged in the manufacturing, marketing, and sale of packing materials.

Transaction

It is an acquisition of ordinary shares by the Acquirer conducted through the Capital Market.

The Acquirer already held _____ of the Target’s shareholding. Subsequently, the Acquirer acquired additionally _____ ordinary shares of the Target on 22 July 2026 at PKR _____ per share, following which its cumulative shareholding stood at _____ shares, representing _____ shareholding of the company; subsequently, the Acquirer acquired _____ ordinary shares on 30 July 2026 at PKR _____ per share, following which its cumulative shareholding stood at _____ shares, representing _____ shareholding of the company; thereafter, the Acquirer acquired _____ ordinary shares on 31 July 2026 at PKR _____ per share, following which its cumulative shareholding stood at _____ shares, representing _____ shareholding of the company, reflecting an overall increase of _____ percentage from its initial shareholding of _____.



7. Total consideration paid for the acquisition of ordinary shares, representing shareholding in the Target issued share capital, is PKR _____ which is deemed to be the transaction value. (the “Transaction”).

Phase-I Competition Assessment

Procedural Review

8. 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

9. As the Target is involved in manufacturing, marketing and sale of packing material. Therefore, for purposes of competition assessment, the relevant product market is defined as “Packing Material” while the relevant geographic market is “Pakistan”.

Market Share

10. As per information contained in the Application, market share of the Target in the relevant market is estimated to be

Competition Analysis

11. The Transaction is related to the acquisition of ordinary shares of the Target by the Acquirer, resulting in an enhancement of the Acquirer’s long-term financial return through dividend income and potential capital appreciation. The Acquirer and the Target are associated undertakings of each other.

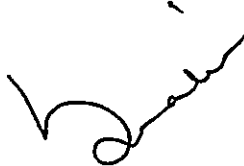
12. The Transaction would not impact the existing market shares in the Relevant Market as the Acquirer is not engaged in operations in the relevant market. No horizontal overlap is found to exist.

13. Although a vertical relationship exists between the Acquirer and the Target, the Transaction is unlikely to raise significant competition concerns, considering the merging parties’ respective market shares.

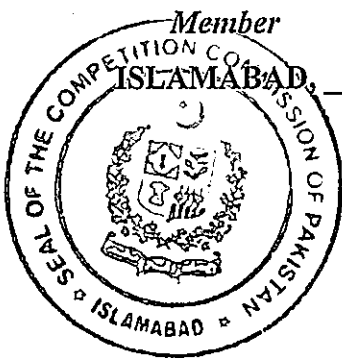
14. The Transaction does not create entry barriers and is not anticipated to limit the ability of existing or potential competitors or to exclude them from competing effectively.
15. In light of the foregoing, the Commission concludes that the Transaction doesn't raise any competition concerns. Further, the Transaction would not result in Substantial Lessening of Competition (SLC).

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 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.
19. It is so ordered.



Ms. Bushra Naz Malik



11th September, 2026